

ANNUAL REPORT 2020-2021



EMERALD LEISURES LIMITED

(Formerly known as Apte Amalgamations Limited)

EMERALD LEISURES LIMITED
(Formerly known as “Apte Amalgamations Limited”)
CIN - L74900MH1948PLC006791

Directors:

Mr. Jashwant B. Mehta	Non- Executive Director
Mr. Rajesh M. Loya	Whole-Time Director
Mr. Chetan J. Mehta	Executive Director-CFO
Mr. Jaydeep V. Mehta	Executive Director
Ms. Dhvani J. Mehta	Non-Executive Director (Women Director)
Mr. Maneesh Taparia	Independent Director
Mr. Gautam Shah	Independent Director(Chairman)
Mr. Amit Shah	Independent Director

Key Managerial Personnel:

Mr. Rajesh M. Loya	Whole- Time Director
Mr. Chetan J. Mehta	Chief Financial Officer
Mr. Manoj C. Patade	Company Secretary & Compliance Officer

Auditors:

M.S. Mandlecha & Co, Chartered Accountants, Mumbai

Secretarial Auditor:

PCS Zankhana Bhansali

Registered Office:

Club Emerald Sports Complex,
Plot No. 366/15, Swastik Park,
Near Mangal Anand Hospital,
Chembur, Mumbai – 400 071
Tel No: - +91 2526 5800
Email Id: info@apteindia.com
Website: www.apteindia.com

Registrar & Transfer Agents:

Purva Sharegistry (India) Pvt. Ltd.
Unit No. 9, Shiv Shakti Ind. Estt.,
J. R. Boricha Marg,
Lower Parel (E), Mumbai – 400 011
T: +91 22 2301 2517 / 8261
F: 28512885 | Web: <http://www.purvashare.com>
Email Id: support@purvashare.com

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BOARD’S REPORT FOR THE FINANCIAL YEAR 2020-2021

To,
The Members,

Your Directors have pleasure in presenting their 87th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2021.

I. FINANCIAL HIGHLIGHTS:

During the year under review, performance of your Company as under:

(Rupees in Lakhs)

Particulars	Year ended 31 st March 2021	Year ended 31 st March 2020
Total Income	495.76	1339.63
Expenses:		
a) Depreciation & amortization expenses	402.89	494.76
b) Finance Cost	772.03	723.06
c) others 1044.19	402.15	1044.19
Profit/(loss) before Tax	(1081.31)	(922.38)
Profit/(loss) after Tax	(1081.31)	(922.38)
Other Comprehensive Income for the year	7.84	1.76
Total Comprehensive Income for the year	(1073.48)	(920.62)
Earning per share(Basic)	(42.89)	(40.53)
Earning per share (Diluted)	(42.89)	(40.53)

COVID-19

The outbreak of Coronavirus (COVID-19) pandemic in March'2020 has continued beyond expectations and wrecked havoc on business. Hospitality sector has been the worst affected owing to complete disruption in domestic and international travel. There has been unprecedented slowdown of economic activity throughout the world and is impacting operations of the businesses, by way of interruption in supply chain, unavailability of personnel, restriction on domestic and international travel, increased costs of maintenance and upkeep, rise in costs of input & services etc.

The restriction on business activities has still not gone away and threat of lock down still looms large due to fear of third wave hitting the world. Your Company has been actively engaged and proactively taking all the necessary steps required to be taken to deal with the pandemic in the areas of ,employee – health and safety, business strategy, optimizing finances, operations and technology. This response has reinforced stakeholder's confidence and many of them have expressed their appreciation and gratitude for the timely response under most challenging conditions.

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II. OPERATIONS FOR THE PERIOD AND FUTURE OUTLOOK:

(i) OPERATIONS FOR THE PERIOD:

The operations of the Company for FY 20-21 were badly hit owing to COVID-19 pandemic that has affected the business globally. The global pandemic COVID-19 has affected the hospitality & club business the hardest due to which there has been a great impact on revenues for the entire year. . The management has tried to capture every business opportunity and maximize the revenues within the constrained and restrictive business scenario prevalent due to various Government restrictions. However, Management wishes to assure the shareholders that in spite of host of challenges, the company has been taking innovative measures to keep the business going and revive the revenue streams consistently.

(ii) FUTURE OUTLOOK:

Due to Lockdown & various restrictions imposed by the Government since March'20 owing to Covid 19 pandemic, all the operations of the company have been severely affected & come to a virtual standstill. While the revenues have fallen to a trickle, fixed cost pressures continue to mount. The Company is looking to develop alternate revenue streams but the initiatives have not met with any big success due to overall challenging and depressed social & business environment. The Management is taking all efforts to keep the facilities in good condition and retain the team as far as possible so that it can kick start the operations with minimum time lag once the Unlock guidelines take effect. The Management is committed to take all such measures that will strengthen the Company and its' operations in years to come. The Management wishes to place on record the fact that, the company has still not received approvals for future construction of certain facilities, for which the Company is consistently pursuing with the appropriate authorities and is hopeful of some positive development in time to come. The business of the company is largely dependent on the overall economic growth and general business sentiment prevalent in the market. However, the Management is positive in its' outlook and is confident of generating better revenues in the post Covid-19 times.

The liquidity position of the company is very poor, but company is making every efforts to meet its commitments to maximum extent possible. The company is also looking closely to various business opportunities which will help the Company to restart its' operations with full strength. The company expects to secure further emergency credit loan under ECLGS 3.0 as COVID relief package announced by the Government of India to support operations.

III. DIVIDEND:

The Chairman informed the Board that in view of current year losses and accumulated losses it would be prudent, not to recommend payment of dividend on Equity Share Capital of the Company for the Financial Year ended 31st March, 2021. The Board after discussion on the matter, decided not to recommend any dividend on Equity Share Capital of the Company for the Financial Year ended 31st March, 2021.

IV. REVENUE:

The Company has earned gross revenue of Rs. 495.76 lakhs in the year 2020-21 under review. The Company has a negative EBITDA of Rs 1081.31 lakhs & PAT of a loss of Rs. 1081.31 lakhs.

V. AMOUNTS TRANSFERRED TO RESERVES:

In view of the current year's losses the Board of the Company does not recommend transfer of any amount to reserves.

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VI. SHARE CAPITAL:

Authorized share Capital

There is no change in Authorized share capital of the company for the Financial Year 2020-2021.

VII. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in the Annual Report.

The Register of Loan, Guarantee, Security and Investment is maintained in Form MBP-2 under section 186 of the Act, 2013 which is available for inspection during the business hours on all working days.

VIII. FIXED DEPOSITS:

The Company has not accepted any fixed deposits from the public during the financial year ended March 31, 2021.

IX. PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no contract(s) / arrangement(s) / transaction(s) entered into by your Company with its related parties, during the year under review as per the provisions of Section 188(1) of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulations 23 of SEBI (LODR) Regulations, 2015.

Particulars of contract or arrangements made with related parties referred to section 188 (1) of the Companies Act, is prescribed in Form AOC -2 as “**ANNEXURE 1**” to Board's Report.

X. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(i) DIRECTOR RETIRING BY ROTATION:

In terms of Section 152(6) of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Jaydeep Mehta (DIN: -[00252474](#)), Director of the Company is liable to retire by rotation at the Eighty Seventh Annual General Meeting as he is holding office for the longest period and his appointment shall be liable to retire by rotation.

Mr. Jaydeep Mehta, has confirmed his eligibility and willingness to accept the office of the Director of your Company, if confirmed by the Members at the ensuing Annual General Meeting. In the opinion of your Directors Mr. Jaydeep Mehta has requisite qualifications and experience and therefore, your Directors recommend that the proposed resolution relating to the re-appointment Mr. Jaydeep Mehta be passed.

(ii) Key Managerial Personnel:

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

- A) Mr. Rajesh M. Loya, Whole Time Director
- B) Mr. Chetan J. Mehta, Executive Director – CFO
- C) Mr. Manoj C. Patade, Company Secretary & Compliance Officer

Mr. Manoj Patade (CS & Compliance Officer) has resigned w.e.f. 14th August 2021 and Ms. Vedashri Chaudhari has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f 14th August 2021.

(iii) Declaration Of Independence By Independent Director:

All the Independent Directors have given their declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and

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Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

XI. Director's Responsibility Statement:

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2020-21.

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit or loss of the Company for the year ended March 31, 2021;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the Annual Accounts for the financial year ended March 31, 2021 on a going concern basis.
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

XII. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Considering the nature of activities of the Company, the information required under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 to be disclosed relating to the conservation of energy and technology absorption is provided as “**ANNEXURE 2**” to the Board's Report.

There is no foreign technology involved/ absorbed. During the year under review, the Company has neither earned any foreign exchange nor incurred any expenditure in Foreign exchange.

XIII. BOARD'S DIVERSITY AND EVALUATION:

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage difference in thought, perspective, knowledge, skill, regional and industry experience which will help us retain our competitive advantage.

At present, your Company has Eight Directors and pursuant to the Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations your Company complies with this requirement. In terms of the Listing Regulations, your Company conducts the Familiarization Program for Independent Directors about their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of your Company, etc., through various initiatives. The details of the same are displayed on the website of the Company.

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The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board has carried out the annual performance evaluation of the entire Board, Committees and all the Directors based on the parameters specified by the Nomination and Remuneration Committee. The exercise was carried out through a structured evaluation process covering various aspects of the functioning of the Board and its Committees. Individual Directors were evaluated separately on basis of their respective designations and roles.

XIV. NUMBER OF MEETINGS OF THE BOARD:

During the financial year 2020-21, the Board of Directors met Eight times as follows: 21st July, 2020 30th July 2020, 19th August 2020, 15th September 2020, 12th November 2020, 22nd January 2021, 9th February 2021, 17th March 2021. Table 1 below gives the attendance record of the Directors at the Board meetings and the last Annual General Meeting held on 15th October, 2020. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

Name of Directors	Designation	No. of Board Meeting attended during 2020-21	Attendance of AGM held on 15 th October, 2020	Number of Committee positions in mandatory committees		Number of Shares held
				Member	Chairman	
Mr. Jashwant Mehta (DIN: 00235845)	Non Executive Director	8	Yes	-	-	4,32,220
Mr. Chetan Mehta (DIN: 00235911)	Executive Director & CFO	8	Yes	1	-	4,32,220
Mr. Rajesh Loya (DIN: 00252470)	Whole Time Director	8	Yes	2	-	NIL
Mr. Maneesh Taparia (DIN: 00267558)	Non- Executive Independent Director	8	Yes	-	2	NIL
Ms. Dhvani Mehta (DIN: 07105522)	Non- Executive Women Director	8	Yes	1	-	NIL
Mr. Gautam Shah (DIN: 00271794)	Non- Executive Independent Director	8	Yes	2	-	NIL
Mr. Amit Shah (DIN: 07306728)	Non- Executive Independent Director	8	Yes	1	1	2405
Mr. Jaydeep Mehta (DIN: 00252474)	Executive Director	8	YES	-	-	4,32,225

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XV. COMMITTEES OF THE BOARD:

Currently, the Board has three committees: Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee. For the Financial year 2020-2021, the below are the details of the Committee, as per the applicable provisions of the Act and Rules:

Name of Committee	Composition of the Committee	No. of Meetings held
Audit Committee	Mr. Maneesh Taparia, Chairman Mr. Amit Shah Mr. Rajesh Loya	4
Nomination and Remuneration Committee	Mr. Maneesh Taparia, Chairman Mr. Gautam Shah Mr. Chetan Mehta	4
Stakeholder's Relationship Committee	Mr. Amit Shah, Chairman Mr. Rajesh Loya Mr. Gautam Shah	4

XVI. COMMITTEES OF THE BOARD:

Currently, the Board has three committees: Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee. For the Financial year 2020-2021, the below are the details of the Committee, as per the applicable provisions of the Act and Rules:

XVII. AUDITORS

a) STATUTORY AUDITORS:

In accordance with Section 139 of the Companies Act, 2013 and the rules made thereunder, M. S. Mandlecha & Co., Chartered Accountants, (Firm Registration No.: 129037W) has been appointed as a statutory auditor of the Company for a period of Five years commencing from the conclusion of 83rd AGM on August 14, 2017 till the conclusion of the 88th AGM in the year 2022, at a remuneration as may be approved by the Board for the 5 years.

The requirement for the annual ratification of Auditors appointment at the Annual General Meeting has been omitted pursuant to Companies (Amendment) Act, 2017 notified on 7th May, 2018. Accordingly, no resolution is being proposed for ratification of the appointment of statutory auditors at the ensuing Annual General Meeting.

During the year, the statutory auditor has confirmed that they satisfy the independence criteria required under Companies Act, 2013 and Code of Ethics issued by Institute of Chartered Accountants of India.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

b) SECRETARIAL AUDITOR:

Due to sad demise of Mr. H B Upasani, our Secretarial Auditor, the Company appointed Ms. Zankhana Bhansali, Practicing Company Secretary, (FCS No: 9261) as a Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rules there under.

The secretarial audit report for F.Y. 2020-21 forms part of the Annual Report as “ANNEXURE 3” to the Board's Report.

The Auditors' Report and the Secretarial Audit Report for the Financial Year ended 31st March, 2021 do not contain any qualification or reservation or adverse remark.

XVIII. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going

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concern status and Company's operations in future.

The details of the pending cases with various authorities are mentioned in the notes to Financial Statements.

XIX. EXTRACT OF ANNUAL RETURN:

As per the General Circular issued by The Ministry of Corporate Affairs as on March 5, 2021, under Companies (Management and Administration) Amendment Rules, 2021, the requirement of attaching the extract of the annual return with the Board's Report shall be in Form No. MGT.9. has been omitted in Rule 12 of the said rule. The Extract of Annual Return for the F.Y. 2020-21 is available on the Company's Website link i.e. www.apteindia.com

XX. WEB LINK OF ANNUAL RETURN:

The Company is having website i.e. www.apteindia.com and annual return of Company has been published on such website. Link of the same is given below: <https://corporate.clubemerald.in>

XXI. INTERNAL FINANCIAL CONTROL:

The Board is responsible for establishing and maintaining adequate internal financial control as per Section 134 of the Companies Act, 2013.

The Board has laid down policies and processes in respect of internal financial controls and such internal financial controls were adequate and were operating effectively. The internal financial controls covered the policies and procedures adopted by your Company for ensuring orderly and efficient conduct of business including adherence to your Company's policies, safeguarding of the assets of your Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

XXII. COST RECORD:

The provision of Cost audit as per section 148 is not applicable to the Company.

XXIII. SECRETARIAL STANDARDS

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

XXIV. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. This policy applies to all categories of employees of the Company, including permanent management and workmen, temporaries, trainees and employees on contract at their workplace or at client sites. Internal Complaints Committee(s) (ICC) has been set up to redress complaints received regarding sexual harassment. The cases reported to such Committee(s) are investigated by the respective Committee(s) members and the detailed report thereon is presented to the Board of Directors on a regular basis. During the year under report, your Company did not receive any case of sexual harassment and hence as at March 31, 2021, there were no pending cases of anti-harassment in your Company.

XXV. MATERIAL CHANGES AFFECTING THE COMPANY:

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future.

There was sub-division of shares from Rs.10 paid up to Rs.5/- paid up equity shares record date being 25.05.2021.

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The Board of Directors for the benefit of the Company decided to change the Registrar & Transfer Agent (RTA) from Link Intime India Pvt. Ltd to Purva Sharegistry (India) Pvt.Ltd. w.e.f (Board Meeting) Date 22nd January 2021.

XXVI. PARTICULARS OF EMPLOYEES:

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The remuneration and perquisites provided to our employees including that of the Management are on a par with industry levels. The Nomination and Remuneration Committee continuously reviews the compensation of our senior executives to align both the short-term and long-term business objectives of the Company and to link compensation with the achievement of measurable performance goals.

Remuneration paid to Board of Directors of the Company:

Name of Director	Title	Remuneration in financial year 2019-2020	Remuneration in Financial Year 2020-2021	No. of shares held in the Company
Mr. Jashwant Mehta	Non-Executive Director	NIL	NIL	4,32,220
Mr. Chetan Mehta	Executive Director and Chief Financial Officer	NIL	NIL	4,32,220
Mr. Rajesh Loya	Whole Time Director	NIL	NIL	NIL
Mr. Maneesh Taparia	Non-Executive Independent Director	Rs.4,000/- (Sitting fees)	Rs.4,000/- (Sitting fees)	NIL
Ms. Dhvani Mehta	Non-Executive Director	NIL	NIL	NIL
Mr. Gautam Shah	Non-Executive Independent Director	Rs.4,000/- (Sitting fees)	Rs.4,000/- (Sitting fees)	NIL
Mr. Amit Shah	Non-Executive Independent Director	Rs.5,000/- (Sitting fees)	Rs.4,000/- (Sitting fees)	2,405
Mr. Jaydeep Mehta	Executive Director	NIL	NIL	4,32,225

Remuneration paid to the Key Managerial Personnel's of the Company

Name of KMP	Title	Remuneration in financial year 2019 - 2020	Remuneration in Financial Year 2020 - 2021	No. of shares held in the Company
Mr. Rajesh Loya	Whole time Director	NIL	NIL	NIL
Mr. Chetan Mehta	Director and Chief Financial Officer	NIL	NIL	4,32,220
Mr. Manoj Patade	Company Secretary and Compliance Officer	3,60,000 p.a.	2,42,594 p.a.	NIL

During the Financial Year 2020-2021 the Company had an average count of 63 employees on the payroll of the Company.

a) Information as per Rule 5(2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required under Section 134 read with Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules for the year ended 31st March, 2021 is not applicable to the Company as none of the employee is drawing remuneration more than the limits presently specified under the said rules.