

INDEPENDENT AUDITORS' REPORT

To
The Members of **Emami Infrastructure Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Emami Infrastructure Limited** (“the Company”) which comprise the Balance Sheet as at 31st March 2014, and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”) (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2014
 - ii) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the order.
 2. As required by section 227(3) of the Act, we 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.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs).
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



Kolkata
30th May, 2014

For, **S. K. AGRAWAL & COMPANY**
Chartered Accountants
Registration No- 306033E

Radhakrishan Tondon

Radhakrishan Tondon
Partner

Membership No: 060534

Annexure to the Independent Auditors' Report

1. The Company does not have any fixed assets and accordingly the provisions of clause 1(a), 1(b) & 1(c) of the order are not applicable to the company.
2. The Company does not have any inventory and accordingly the provisions of clause 2(a), 2(b) & 2(c) of the order are not applicable to the company.
3. The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clauses (iii)(b), (iii)(c), (iii)(d), (iii)(f) and (iii)(g) of paragraph 4 of the Order are not applicable.
4. There are no transactions of the purchase of inventories and fixed assets and sale of goods and services during the year. Accordingly, provisions of Clause 4(iv) of the order are not applicable to the company.
5. According to information and explanation given to us, we are of the opinion that there are no transactions made in pursuance of contracts or arrangements that need to be entered into the Register maintained under section 301 of the Companies act, 1956.
6. The Company has not accepted any deposits as defined under section 58A & 58AA or other relevant provisions of the Companies Act, 1956.
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 pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government 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, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess and other Statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, there were no undisputed amount payable in respect of these statutory dues which have remained outstanding as at 31st March 2014 for a period of more than six months from the date they became payable.
 - b. According to the information and explanation given to us, there are no disputed dues in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, cess except the following:

Name of the Statute	Nature of Dues	Amount under dispute not yet deposited (Rs in Lacs)	Financial Year to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	52.29	2009-10	I.T.A.T (Kolkata)



10. The Company does not have accumulated losses exceeding fifty percent of its net worth at the end of the financial year. The Company has incurred cash losses during the current year; however it has not incurred cash losses in the immediately preceding financial year.
11. The company has not raised Loans from Financial institution or Banks or by issue of Debentures and hence Clause 4(xi) of the order is not applicable to the company.
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. In our opinion, the company is not a chit fund or a Nidhi/ Mutual Benefit Fund/Society. Accordingly, the provisions of clause 4(xiii) of the order are not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanation given to us, the Company has given corporate guarantee for loan taken by its subsidiary amounting to Rs. 200 crore from the bank. As explained, the terms and conditions are not prejudicial to the interests of the Company.
16. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not availed any term loan during the year.
17. According to the information and explanation given to us and on an overall examination of Balance Sheet, the company has not raised any short-term funds during the year.
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 secured debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
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.



Kolkata
30th May, 2014

For, **S. K. AGRAWAL & COMPANY**
Chartered Accountants
Registration No- 306033E

Radhkrishan Tondon
Partner
Membership No: 060534



emami* Infrastructure Limited

EMAMI INFRASTRUCTURE LIMITED
CIN - L45400WB2008PLC121426

Regd Office: 687, Anandapur, 2nd Floor, E.M. Bypass, Kolkata - 700107

(₹ in lac except Share and EPS)

Part I								
Audited Financial Results for the Quarter and Year Ended 31st March, 2014								
Sl. No.	Particulars	Standalone				Consolidated		
		Quarter Ended		Year Ended		Year Ended		
		31-Mar-2014 (Audited)	31-Dec-2013 (Unaudited)	31-Mar-2013 (Audited)	31-Mar-2014 (Audited)	31-Mar-2013 (Audited)	31-Mar-2014 (Audited)	31-Mar-2013 (Audited)
1	Income from Operations							
	(a) Net Sales/Income from Operations	-	-	-	-	-	0.32	1,768.25
	(b) Other Operating Income	-	-	-	-	-	-	-
	Total Income from Operations (net)	-	-	-	-	-	0.32	1,768.25
2	Expenses							
	(a) Cost of materials consumed	-	-	-	-	-	3,925.97	3,523.31
	(b) Purchase of stock-in-trade	-	-	-	-	-	-	670.10
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	(15,641.94)	(9,535.47)
	(d) Employee Benefit Expense	18.61	13.49	10.85	45.83	29.30	1,437.48	989.35
	(e) Depreciation and amortisation expense	-	-	-	-	-	38.75	30.87
	(f) Other Expenses	0.83	3.91	4.99	14.68	17.37	7,835.79	3,184.34
	Total Expenses	19.44	17.40	15.84	60.53	46.67	(2,403.95)	(1,137.50)
3	Profit/(Loss) from Operations before Other Income, Finance Cost & Exceptional Items(1-2)	(19.44)	(17.40)	(15.84)	(60.53)	(46.67)	2,404.27	2,905.75
4	Other Income	6.55	7.13	45.31	28.99	175.18	2,073.07	1,287.26
5	Profit/(Loss) from Ordinary Activities before Finance Costs & Exceptional Items (3+4)	(12.89)	(10.27)	29.47	(31.52)	128.51	4,477.34	4,193.01
6	Finance Costs	-	-	-	-	-	5,077.03	4,554.12
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(12.89)	(10.27)	29.47	(31.52)	128.51	(599.69)	(361.11)
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary activities before Tax (7+8)	(12.89)	(10.27)	29.47	(31.52)	128.51	(599.69)	(361.11)
10	Tax Expense	-	-	24.48	-	44.29	9.13	55.42
11	Net Profit/(Loss) from Ordinary activities after Tax (9-10)	(12.89)	(10.27)	4.99	(31.52)	84.22	(608.82)	(416.53)
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(12.89)	(10.27)	4.99	(31.52)	84.22	(608.82)	(416.53)
14	Share of Profit/(Loss) of Associates	-	-	-	-	-	1,363.83	43.16
15	Minority Interest	-	-	-	-	-	(0.01)	(2.09)
16	Net Profit/(Loss) after Taxes, Minority Interest and Share of Loss of Associates (13+14-15)	-	-	-	-	-	755.02	(371.28)
17	Paid-up Equity Share Capital (Face Value ₹2/- per share)	485.97	485.97	485.97	485.97	485.97	485.97	485.97
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year				3630.02	3661.54	2,842.41	2,087.39
19	Earnings per share (before Extraordinary items) of ₹2/- each (not annualised)							
	(a) Basic	₹ -0.05	₹ -0.04	₹ 0.02	₹ -0.13	₹ 0.35	₹ 3.11	₹ -1.53
	(b) Diluted	₹ -0.05	₹ -0.04	₹ 0.02	₹ -0.13	₹ 0.35	₹ 3.11	₹ -1.53
20	Earnings per share (after Extraordinary items) of ₹2/- each (not annualised)							
	(a) Basic	₹ -0.05	₹ -0.04	₹ 0.02	₹ -0.13	₹ 0.35	₹ 3.11	₹ -1.53
	(b) Diluted	₹ -0.05	₹ -0.04	₹ 0.02	₹ -0.13	₹ 0.35	₹ 3.11	₹ -1.53

CIN- L45400WB2008PLC121426

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Part II								
Select Information for the Quarter and Year Ended 31st March, 2014								
Sl No.	Particulars	Standalone					Consolidated	
		Quarter Ended		Year Ended			Year Ended	
		31-Mar-2014 (Audited)	31-Dec-2013 (Unaudited)	31-Mar-2013 (Audited)	31-Mar-2014 (Audited)	31-Mar-2013 (Audited)	31-Mar-2014 (Audited)	31-Mar-2013 (Audited)
A	PARTICULARS OF SHAREHOLDING							
1	Public Shareholding							
	-Number of Shares	10225851	10225851	10225851	10225851	10225851	10225851	10225851
	-Percentage of shareholding	42.08%	42.08%	42.08%	42.08%	42.08%	42.08%	42.08%
2	Promoters and Promoter Group Shareholding							
	a) Pledged / Encumbered							
	-Number of shares	-	-	-	-	-	-	-
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-
	a) Non-encumbered							
	-Number of shares	14072541	14072541	14072541	14072541	14072541	14072541	14072541
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	57.92%	57.92%	57.92%	57.92%	57.92%	57.92%	57.92%

	Particulars	3 months ended 31-Mar-2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	-
	Disposed of during the quarter	-
	Remaining unresolved during the quarter	-





Audited Statement of Assets and Liabilities as on 31st March, 2014 (₹ in lac)

Sl No.	Particulars	Standalone		Consolidated	
		As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
		Audited	Audited	Audited	Audited
A	EQUITY AND LIABILITIES				
1	Shareholders' Funds				
	a) Share Capital	485.97	485.97	485.97	485.97
	b) Reserves and Surplus	3,630.02	3,661.54	2,842.41	2,087.38
		4,115.99	4,147.51	3,328.38	2,573.35
2	Minority Interest	-	-	8.02	8.03
3	Non - Current Liabilities				
	a) Long-Term Borrowings	-	-	35,455.43	9,025.00
	b) Long-Term Provisions	14.78	7.50	83.15	48.02
		14.78	7.50	35,538.58	9,073.02
4	Current Liabilities				
	a) Short-Term Borrowings	-	-	22,923.48	16,807.59
	b) Trade Payables	0.27	0.61	949.86	1,169.31
	a) Other Current Liabilities	2.71	3.35	52,994.67	23,660.80
	b) Short-Term Provisions	309.66	309.65	337.85	328.05
		312.64	313.61	77,205.86	41,965.75
	TOTAL	4,443.41	4,468.62	1,16,080.84	53,620.15
B	ASSETS				
1	Non-Current Assets				
	a) Fixed Assets	-	-	185.10	163.74
	b) Goodwill on Consolidation	-	-	932.72	932.72
	c) Non-Current Investments	985.01	985.01	11,275.08	8,450.33
	d) Long-Term Loans and Advances	0.90	742.40	18,889.18	3,954.18
	e) Other Non-Current Assets	-	-	341.87	264.61
		985.91	1,727.41	31,623.95	13,765.58
2	Current assets				
	a) Inventories	-	-	41,647.38	26,005.45
	b) Trade Receivables	-	-	-	6.35
	c) Cash and Cash Equivalents	1.96	1.64	1,208.33	778.53
	d) Short-Term Loans and Advances	3,455.54	2,739.57	41,601.18	13,064.24
		3,457.50	2,741.21	84,456.89	39,854.57
	TOTAL	4,443.41	4,468.62	1,16,080.84	53,620.15

Notes:

- 1) The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th May, 2014 and have been audited by the Statutory Auditors of the Company.
- 2) The Consolidated Audit Results including Company's Share in the results of its Subsidiaries and in the Share of Profit/ (Loss) in the Associates.
- 3) The Board of Directors has approved amalgamation of its wholly owned subsidiary "M/s Emami Realty Ltd" with M/s Zandu Realty Ltd with effect from 1st April 2013 in its meeting held on 8th July, 2013. Vide Letter dated 2nd May, 2014, BSE Ltd has conveyed to M/s Zandu Realty Ltd that the Exchange is unable to grant its "no-objection" to the scheme in view of the observations made by Security Exchange Board of India (SEBI). The Company is taking appropriate action in the matter. Therefore, no effect of the scheme has been given in the accounts.
- 4) The Company operates in a single business segment i.e. Real Estate Development.
- 5) Figures for the previous periods have been regrouped /rearranged /recast to make them comparable with the figures of the current period.

For Emami Infrastructure Limited

Place : Kolkata
Date: 30th May, 2014



Abhijit Datta
Chairman