



## Emaar MGF Land Limited

CIN-U45201DL2005PLC133161,

Registered office:- 306-308, Square One, C-2, District Centre, Saket, New Delhi-110017

Email ID – company.secretary@emaarmgf.com

Website : www.emaar-india.com

### UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

(Rs. in million)

Particulars	As at September 30, 2017	As at March 31, 2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	618.59	562.60
Capital work-in-progress	22.59	47.17
Intangible assets	7.11	3.54
Financial assets		
Investments	869.83	869.83
Other bank balances	18.72	-
Loans	4.39	3.39
Other non-current assets	0.68	0.09
<b>Total non-current assets</b>	<b>1,541.91</b>	<b>1,486.62</b>
<b>Current assets</b>		
Inventories	39,748.03	36,610.07
Financial assets		
Investments	715.95	448.14
Loans	7,880.66	9,381.41
Trade receivables	562.55	348.89
Cash and cash equivalents	595.89	296.51
Other bank balances	901.36	815.55
Other financial assets	1,913.71	2,195.43
Current tax assets	225.46	306.97
Other current assets	40,989.39	40,994.23
<b>Total current assets</b>	<b>93,533.00</b>	<b>91,397.20</b>
<b>Assets classified as held for distribution (refer note 7)</b>	<b>37,188.57</b>	<b>39,015.77</b>
<b>Total assets</b>	<b>132,263.48</b>	<b>131,899.59</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	9,126.20	9,126.20
Other equity	7,040.70	10,438.89
<b>Total equity</b>	<b>16,166.90</b>	<b>19,565.09</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Long term borrowings	821.88	1,273.75
<b>Current liabilities</b>		
Financial liabilities		
Short term borrowings	22,577.24	20,978.90
Trade payables	3,169.11	2,648.52
Other financial liabilities	37,586.45	32,897.41
Other current liabilities	36,276.16	38,592.90
Provisions	2,812.88	2,012.13
<b>Total liabilities</b>	<b>103,243.72</b>	<b>98,403.61</b>
<b>Liabilities associated with the assets classified as held for distribution (refer note 7)</b>	<b>12,852.86</b>	<b>13,930.89</b>
<b>Total equity and liabilities</b>	<b>132,263.48</b>	<b>131,899.59</b>





**UNAUDITED STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED SEPTEMBER  
30, 2017**

Particulars	(Rs. in million)		
	Half year ended September 30, 2017	Half year ended September 30, 2016	Year ended March 31, 2017
	Unaudited (Refer Note 8)	Unaudited (Refer Note 8)	Audited
<b>INCOME</b>			
Revenue from operations	6,193.78	319.67	9,366.72
Other income	291.92	183.40	285.12
<b>Total income</b>	<b>6,485.70</b>	<b>503.07</b>	<b>9,651.84</b>
<b>EXPENSES</b>			
(Increase)/decrease in inventories	(1,936.89)	(523.95)	140.51
Cost of land and development rights	1,128.65	281.73	399.22
Material cost and contractor expense	4,886.66	1,314.02	4,403.42
Employee benefits expense	473.90	400.53	819.58
Depreciation and amortization expense	13.75	14.39	23.30
Finance costs	2,992.92	3,808.65	6,998.21
Other expenses	2,321.02	2,057.96	4,411.21
<b>Total expenses</b>	<b>9,880.01</b>	<b>7,353.33</b>	<b>17,195.45</b>
<b>Loss before tax</b>	<b>(3,394.31)</b>	<b>(6,850.26)</b>	<b>(7,543.61)</b>
<b>Tax expense</b>	-	-	-
<b>Loss for the period / year</b>	<b>(3,394.31)</b>	<b>(6,850.26)</b>	<b>(7,543.61)</b>
<b>Other comprehensive income/(loss)</b>			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement gains (losses) on defined benefit plans	(3.91)	2.73	(3.12)
<b>Other comprehensive income / (loss) for the period / year, net of tax</b>	<b>(3.91)</b>	<b>2.73</b>	<b>(3.12)</b>
<b>Total comprehensive loss for the year, net of tax</b>	<b>(3,398.22)</b>	<b>(6,847.53)</b>	<b>(7,546.73)</b>
Paid-up equity share capital (face value of Rs.10 per share)	9,126.20	9,126.20	9,126.20
Debenture redemption reserve	738.13	738.13	738.13
Capital redemption reserve	8,610.25	8,610.25	8,610.25
Other equity (excluding debenture redemption reserve, capital redemption reserve and revaluation reserve)	(2,307.68)	1,140.08	1,090.51
<b>Net worth</b>	<b>16,166.90</b>	<b>19,614.66</b>	<b>19,565.09</b>
Paid up debt capital	57,913.59	43,638.49	53,185.98
Earnings / (loss) per share (in rupees) (Basic & diluted) (not annualised)	(3.72)	(7.20)	(8.27)
Debt equity ratio	3.58	2.22	2.72
Debt service coverage ratio	(0.13)	(0.79)	(0.07)
Interest service coverage ratio	(0.13)	(0.79)	(0.07)





**Notes:**

1. The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on November 6, 2017.
2. Ratios have been computed as follows:
  - (i) Debt Equity Ratio = Paid up Debt Capital/Equity, where,
    - \* Equity represents issued, subscribed and paid up share capital and other equity
    - \* Paid up Debt Capital represents long-term and short-term borrowings excluding deferred payment liabilities and finance lease obligations.
  - (ii) Interest Service Coverage ratio = Earnings before finance costs, tax and depreciation / finance costs.
  - (iii) Debt Service Coverage ratio = Earnings before finance costs, tax and depreciation / [finance costs + net principal repayment of paid debt capital during the period/year].
  - (iv) Net worth represents Equity.
  - (v) Paid up equity capital represents issued, subscribed and paid up share capital.
3. **Additional disclosures as per Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Particulars	Credit Rating	Principal		Interest	
		Previous due date	Next due date	Previous due date	Next due date
22,600 (11.25%) Secured Redeemable non-convertible debentures of Rs. 10,00,000/- each	CARE BB revised from CARE D	Not applicable	December 31, 2019	September 30, 2014 (paid)	April 30, 2018

**Notes:**

- a. Due dates disclosed above are after considering extensions granted by the debenture holders.
  - b. The non-convertible debentures referred above are secured by an adequate asset cover.
4. One of the subsidiaries of the Company, Emaar MGF Construction Private Limited (the “Subsidiary”) is undergoing certain litigations/disputes in relation to the Commonwealth Games Village Project, 2010 developed by it where the Company expects favorable outcomes. The Company has investments in the equity share capital of the said Subsidiary aggregating to Rs. 603.53 million (March 31, 2017 - Rs. 603.53 million) and has advances recoverable aggregating to Rs. 2,268.70 million (March 31, 2017 – Rs. 2,266.22 million) from the Subsidiary. The Company has also given commitment to the Subsidiary for support in case of unfavorable outcome in respect of any of the litigations / disputes. The auditors have expressed an emphasis of matter on the same.
  5. The Company, vide a Development Agreement dated November 3, 2006 (subsequently amended by the agreement dated July 25, 2007) entered into with Emaar Hills Township Private Limited (“EHTPL”), had undertaken the development of land in Hyderabad, which was sold to EHTPL by Andhra Pradesh Industrial Infrastructure Corporation through a duly registered Conveyance Deed dated December 28, 2005. The Company also, vide Assignment Deed dated November 3, 2006 entered into with Boulder Hills Leisure Private Limited (“BHLPL”), had undertaken the development and operation of a ‘Golf Course’ in Hyderabad. The Company, EHTPL and BHLPL have been subjected to litigations relating to the allegations of irregularities in allotment of project land, notice for termination of project, notice for termination of development agreement by one of the shareholders of the development partner, stoppage of registration of properties in the project, etc. Further, in one of the matters mentioned herein, Central Bureau of Investigation has filed charge sheets against various persons, including the Company, its former Managing Director and certain officers of the Company. Under the said matter, the Company has also received an attachment order of its certain properties from Directorate of Enforcement. The Company has assets and liabilities of Rs. 3,036.50 million (March 31, 2017 - Rs. 3,037.94 million) and Rs. 2,090.00 million (March 31, 2017 - Rs. 2,085.79 million) respectively and has recorded revenues aggregating to Rs. 1,447.86 million (September 30, 2016 – Rs. 1,447.86 million and March 31, 2017 – Rs. 1,447.86 million) (including Rs. 94.26 million (September 30, 2016 – Rs. 94.26 million and March 31, 2017 – Rs. 94.26 million) which have been included in the aforesaid assets as they are yet to be either collected or billed) till date relating to the said project. The matters mentioned herein are pending with judicial authorities at various levels. Based







on the legal advices received and internal assessments, the management believes that the allegations/matters raised above are untenable and contrary to the factual position. The auditors have expressed an emphasis of matter on the same.

6. During the six months ended September 30, 2017, the Company has incurred a book loss of Rs. 3,398.22 million as against Rs. 6,847.53 million for the previous six months ended September 30, 2016. As at September 30, 2017, the Company has debts of Rs. 5,006.92 million which are due for repayment in the next one year. As per the present business plans, the Company would require additional capital either in the form of long term debts/equity for an aggregate of Rs. 3,588.05 million to be able to meet its financial obligations in the next one year. The Company along with its ultimate holding company, Emaar Properties PJSC, has been exploring options for raising additional funds to meet its financial obligations and is working with certain lenders to re-schedule the principal and interest payment terms in line with its expected cash flows. The management also has considered the fact that the Company has significant asset base, including land inventories or land development rights, which can yield values in excess of their book values and can hence be used for raising additional capital, if and when required. In view of the same, the management of the Company is hopeful of generating sufficient cash flows in the future to meet the Company's financial obligations. Hence, these financial statements have been prepared on a going concern basis. The auditors have expressed an emphasis of matter on the same.
7. In order to lend greater focus on the operation of the Company's businesses/projects and for the purpose of developing the potential for further growth and expansion, the Board of Directors of the Company, during the last financial year 2016-17 decided to demerge some of the assets and liabilities of the Company into a separate undertaking, pursuant to a Scheme of Arrangement under Section 391 and 394 of the Companies Act, 1956 read with sections 100 to 103 of the Companies Act, 2013. The same has been approved by the shareholders of the Company and is pending for approval before the Hon'ble National Company Law Tribunal ("NCLT"). The assets and liabilities as at September 30, 2017 expected to be demerged into a separate undertaking have been disclosed as assets and liabilities held for distribution and may be further revised based on changes/adjustments upto the Effective Date, being the date of filing of the order of NCLT with the Registrar of Companies sanctioning the Scheme of Arrangement.
8. The unaudited published year to date figures upto September 30, 2017 and September 30, 2016 respectively, being the end of the first half year of the respective financial years, which were subjected to a Limited Review.

**For and on behalf of the Board of Directors of  
Emaar MGF Land Limited**

  
**Ashish Narayan Prasad Kabra**  
Director  
DIN-06408748

  
**Sanjay Malhotra**  
Chief Executive Officer

  
**Rahul Bisdle**  
Chief Financial Officer

  
**Bharat Bhushan Garg**  
Company Secretary



**Dated : November 6, 2017  
Place: Gurugram**