

# EMAAR

INDIA

Date : August 14, 2024

To,

The General Manager  
Department of Corporate Services  
BSE Limited,  
Floor 25, P J Towers,  
Dalal Street,  
Mumbai – 400 001

**Re:**                **Scrip Code: 948003 (ISIN - INE451H07332)**  
                         **Scrip Code: 948005 (ISIN - INE451H07340)**  
                         **Scrip Code: 948012 (ISIN - INE451H07357)**

**Sub.:**            **Outcome of Board Meeting**

Dear Sir,

Further to our communication dated August 8, 2024, the Board of Directors of the Company at its meeting held today has considered and approved the Un-audited Standalone Financial Results for the quarter ended June 30, 2024. A copy of the said results along with Limited Review Report are enclosed, in compliance with Regulation 52 and 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This is for your kind information and record please.

Thanking you

Yours faithfully,

For Emaar India Limited



**Bharat Bhushan Garg**  
Company Secretary



EMAAR INDIA LIMITED

EMAAR BUSINESS PARK, MG ROAD, SIKANDERPUR, SECTOR 28, GURUGRAM -122002, HARYANA.

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**Independent Auditor's Review Report on unaudited financial results of Emaar India Limited for the quarter ended June 30, 2024 pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To The Board of Directors of Emaar India Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Emaar India Limited (hereinafter referred to as 'the Company') for the quarter ended June 30, 2024 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations').
2. This Statement, which is the responsibility of Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder ('Ind AS 34'), and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Notes accompanying to the Statement with regard to the following.
  - a. Note No. 3 to the unaudited standalone financial results of the Company for the quarter ended June 30, 2024, which describes the petition filed by Emaar Holding II, the shareholder and the promoter of the Company under Section 241 of the Companies Act, 2013 seeking relief against MGF Developments Limited, Mr. Shravan Gupta, Ms. Shilpa Gupta and their connected entities (collectively referred as the 'MGF Group'), wherein the Company has also been named as a respondent party. Under this petition, Emaar Holding II has, inter-alia,



prayed to Hon'ble National Company Law Tribunal, to direct MGF Group to compensate the Company and Emaar Holding II, to the extent of loss caused due to their certain acts and transactions that occurred between the years 2006 to 2016, along with interest thereon, to be computed from the date of respective loss. Pending adjudication of the matter, the final outcome of these litigation is presently unascertainable.

- b. Note No. 4 to the unaudited standalone financial results of the Company for the quarter ended June 30, 2024, in relation to investment made in and advances given by Company to one of its subsidiary Company, Emaar MGF Construction Private Limited, aggregating Rs. 1,286.01 million and Rs. 838.31 million, respectively as at June 30, 2024. Further, as described in the note, there are significant ongoing litigations in the said Subsidiary Company relating to a project undertaken by it, are pending for decision with the Arbitration Tribunal. However, the Company has made adequate provision against the related investment and advances in its unaudited standalone financial results. Since the matters are currently sub-judice, the final outcome of it is presently unascertainable.
- c. Note No. 5 to the unaudited standalone financial results of the Company for the quarter ended June 30, 2024, which describes the uncertainty with respect to the outcome of various ongoing litigations involving the Company, its Group entities, its development partners namely Telangana State Industrial Infrastructure Corporation, earlier part of Andhra Pradesh Industrial Infrastructure Corporation ('APIIC') and other parties alleging certain irregularities relating to a project being developed in Hyderabad. The Company has assets and liabilities of Rs. 4,601.70 million and Rs. 1,252.17 million respectively, with respect to this project, that is reported in the unaudited standalone financial results for the quarter ended June 30, 2024. As the matters are currently sub-judice, the final outcome of these litigations is presently unascertainable.
- d. Note No. 7(b) to the unaudited standalone financial results of the Company for the quarter ended June 30, 2024, which describes the uncertainty with respect to the outcome of various ongoing litigations involving the Company and MGF Developments Limited ('MGF'), pending before Hon'ble NCLT under Section 231 of the Companies Act, 2013, and the arbitration proceedings pending before the International Court of Arbitration, International Chambers of Commerce ('ICC'), London ("the Arbitral Tribunal"). The disputes, inter-alia, pertains to various demerger related arrangements between the parties, including the indemnity arrangements, which entitled the Company to raise indemnity claims on the MGF in respect of certain expenses/losses incurred by the Company. Subsequent, to the initiation of arbitration, the Arbitral Tribunal constituted by ICC has confirmed that, not only the Company may unilaterally settle such indemnity claims by, inter-alia, terminating the development rights of certain land parcel(s) which were earlier transferred to MGF pursuant to demerger, but also confirmed that there should be no restraint alienation of the development rights in those land parcel(s).

The Arbitral Tribunal has passed a First Partial Award on November 16, 2022, wherein it has rejected the claim raised by MGF for loss of profits against the Company and concluded certain other claims and counter claims raised by both the parties and accordingly, the probable impact of the said award of Rs. 1,283.85 million has already been recorded in the books of the Company during the financial year 2022-23.

The Arbitral Tribunal has also passed Second Partial Award on February 19, 2024 wherein it has determined the principles of various claims and counter claims of the parties, with final determination of the quantum has been reserved for the judgement in the hearing held in



# MSKA & Associates

Chartered Accountants

June 2024. As the matters are currently sub-judice, any impact of the same on the unaudited standalone financial results of the Company is not ascertainable at this stage.

Our opinion is not modified in respect of these matters.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

Naresh Anand  
Partner  
Membership No.: 509662  
UDIN: 24503662BKEJFS1288



Place: Gurugram  
Date: August 14, 2024

# EMAAR

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EMAAR INDIA LIMITED

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 30 JUNE 2024

(Rs. in million)

Particulars	For the quarter ended			For the year ended
	30 June 2024	31 March 2024	30 June 2023	31 March 2024
	Unaudited	Audited (Refer Note 14)	Unaudited	Audited
<b>1 Income</b>				
(a) Revenue from operations	2,673.49	2,334.67	10,119.15	26,991.04
(b) Other income	268.23	128.73	153.52	574.63
<b>Total income</b>	<b>2,941.72</b>	<b>2,463.40</b>	<b>10,272.67</b>	<b>27,565.67</b>
<b>2 Expenses</b>				
(a) Cost of Revenue				
Cost incurred during the period/year	13,552.42	34.34	2,049.86	8,105.62
Changes in inventories of plots, real estate properties and development rights	(12,073.83)	922.29	4,608.57	6,864.86
(b) Employee benefits expense	277.89	232.76	257.04	1,082.51
(c) Finance costs	1,731.31	1,728.19	1,642.68	6,593.40
(d) Depreciation and amortization expense	28.86	26.61	23.08	101.02
(e) Other expenses	538.48	3,199.23	1,006.44	7,203.46
<b>Total expenses</b>	<b>4,055.15</b>	<b>6,143.42</b>	<b>9,587.67</b>	<b>29,950.87</b>
<b>3 Profit/ (Loss) before exceptional items &amp; tax (1-2)</b>	<b>(1,113.43)</b>	<b>(3,680.02)</b>	<b>685.00</b>	<b>(2,385.20)</b>
<b>4 Exceptional items</b>	-	-	-	-
<b>5 Profit/(Loss) before tax (3+4)</b>	<b>(1,113.43)</b>	<b>(3,680.02)</b>	<b>685.00</b>	<b>(2,385.20)</b>
<b>6 Tax expense/( benefit)</b>				
(a) Current tax	-	-	-	-
(b) Deferred tax	-	-	-	-
<b>Total tax expense / (benefit)</b>	-	-	-	-
<b>7 Profit / (Loss) after tax (5-6)</b>	<b>(1,113.43)</b>	<b>(3,680.02)</b>	<b>685.00</b>	<b>(2,385.20)</b>
<b>8 Other comprehensive income/ (expense) (net of taxes)</b>	<b>(6.97)</b>	<b>(6.66)</b>	<b>7.80</b>	<b>2.34</b>
<b>9 Total comprehensive income/ (loss) (7+8)</b>	<b>(1,120.40)</b>	<b>(3,686.68)</b>	<b>692.80</b>	<b>(2,382.86)</b>
<b>10 Paid-up equity share capital (Face value of Rs. 10 each)</b>	<b>1,693.87</b>	<b>1,693.87</b>	<b>1,693.87</b>	<b>1,693.87</b>
<b>11 Earning per share (EPS) (Face value of Rs. 10 each)*</b>				
Basic and diluted (Rs.)	(6.57)	(21.73)	4.04	(14.08)
<b>12 Other equity (Excluding debenture redemption reserve)</b>				<b>(39,951.20)</b>
<b>13 Debenture redemption reserve</b>	<b>738.13</b>	<b>738.13</b>	<b>738.13</b>	<b>738.13</b>
<b>14 Net worth (Share Capital+Other Equity)</b>				<b>(38,257.33)</b>
<b>15 Additional information pursuant to requirement of Regulation 52(4) and Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended). Also refer note 13 below.*</b>				
(a) Debt Equity Ratio (In times)	(2.08)	(2.10)	(2.10)	(2.10)
(b) Debt Service Coverage Ratio (in times)	0.04	(0.38)	0.28	0.21
(c) Interest Service Coverage Ratio (In times)	0.37	(1.11)	1.43	0.65
(d) Current Ratio (In times)	1.08	1.14	1.22	1.14
(e) Long Term Debt to Working Capital Ratio (In times)	8.10	5.48	4.48	5.48
(f) Bad Debt to Account Receivable Ratio (%)	-	-	-	-
(g) Current Liabilities Ratio (In times)	0.65	0.60	0.56	0.60
(h) Total Debts to Total Assets (in times)	0.82	0.90	0.88	0.90
(i) Debtor Turnover (in times)	2.92	2.07	12.90	31.76
(j) Inventory Turnover (In times)	0.04	0.03	0.16	0.38
(k) Operating Margin (%)	13.08%	(89.12%)	21.49%	13.46%
(l) Net Profit Margin (%)	(38.09%)	(149.66%)	6.74%	(8.64%)

\* Not annualized except for the year ended 31 March 2024  
See accompanying notes to the unaudited financial results





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- 1) The above unaudited 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 14 August 2024. These unaudited standalone financial results have been subjected to limited review by the Statutory Auditors of the Company.
- 2) Additional disclosures as per Regulation 54 and 55 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 on financial results for the quarter ended 30 June 2024:

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. 1,000,000 each ("NCDs"), (bearing ISIN INE451H07332, INE451H07340 and INE451H07357)	(Refer Note 2(e) and 2(f))	20 May 2022 (Refer Note 2(e))	Not applicable	20 May 2022 (Refer Note 2(e))	Not applicable

**Notes:**

- a. Due dates disclosed above are after considering extensions granted by the debenture holders.
  - b. The NCDs are secured by way of charge on the following:
    - Non-agricultural freehold land admeasuring 397.28 square meters forming part of the land parcel located at Mauje Maharajpura of Kadi Taluka, Ahmedabad, Gujarat; and
    - All the collection accounts, distribution accounts, receivables and any amount to be deposited in these accounts with respect to the 'Project Emerald Hills Extension', a township project on 95.25 acres in Sector 62 and 66, Gurgaon, and 'Project Marbella' on 109.069 acres in Sector 65 and 66, Gurgaon being developed by the Company, including first and exclusive mortgage by way of deposit of title deeds of such land parcels owned by the land-owning subsidiary companies. On account of partial repayment of NCDs, partial security has been released in September 2023.
  - c. The Company is maintaining security cover of more than one hundred percent in respect of the outstanding NCDs.
  - d. The above-mentioned face value of Rs. 1,000,000 was before demerger. Pursuant to the scheme of arrangement (demerger) between the Company, MGF Developments Limited (MGF) and their respective shareholders and creditors which has been approved by the National Company Law Tribunal (NCLT) vide its order dated 16 July, 2018, 30.79% of the face value of Rs. 1,000,000 of each debenture (i.e., Rs 307,876 per debenture) has been demerged and transferred to MGF Developments Limited ("MGF NCDs"). Accordingly, the face value of debentures with Emaar India Limited was reduced to Rs. 692,124 per debenture ("Emaar NCDs").
  - e. On 10 May 2022, the Company has repaid the outstanding principal, interest and redemption premium on Emaar NCDs and liabilities towards such face value of NCDs stands repaid. MGF NCDs are still outstanding to be repaid. Therefore, these NCD's are still to be delisted from the Bombay Stock Exchange (BSE) and accordingly, the Company has complied with Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, to the extent applicable. As the maturity date of the aforesaid ISINs have already occurred, the same have been suspended by the Stock Exchange.
  - f. CARE Ratings Limited vide its letter dated 19 May 2022 has informed that since Emaar India Limited has repaid the Emaar NCDs and balance MGF NCDs were already transferred to MGF Developments Limited pursuant to the demerger scheme approved by NCLT, the rating for aforesaid NCDs stands withdrawn.
- 3) On 19 November 2019, Emaar Holding II, shareholder and promoter of the Company, filed a petition under Section 241 of the Companies Act, 2013, before the Hon'ble National Company Law Tribunal, New Delhi Bench ("NCLT"), seeking relief against MGF Developments Limited ("MGF"), Mr. Shravan Gupta, Ms. Shilpa Gupta and its connected entities (hereinafter collectively referred to as "MGF Group") Emaar Holding II has, *inter-alia*, prayed to NCLT to direct MGF Group to compensate the Company and Emaar Holding II to the extent of loss caused due to their certain acts and transactions along with interest thereon, to be computed, from the date of respective loss. MGF Group had also filed its reply and thereafter both parties to the petition have filed rejoinders. The Company has also filed criminal complaints against MGF and its associates, in respect of certain matters referred to in Section 241 petition filed by Emaar Holding II. As the matter is currently *sub judice*, any impact of the same on the standalone financial results is not ascertainable at this stage. The auditors have expressed an Emphasis of Matter on the said matter.



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- 4) One of the subsidiary, Emaar MGF Construction Private Limited (the "Subsidiary") has ongoing litigation/dispute with Delhi Development Authority ("DDA") in relation to constructions of flats carried out in the Commonwealth Games Village Project 2010 under Project Development Agreement. The litigation with DDA is pending with the Arbitral Tribunal. The Company has already made provision in its books of accounts in respect of the investments in the equity share capital of the said Subsidiary and of advances recoverable. Further, the Company has committed to the Subsidiary to provide necessary financial support in case of any unfavorable outcome in respect of the said ongoing litigation/dispute. However, based on the legal advice received and internal assessments, the management of the company believes that certain matters raised in such ongoing litigation with DDA are untenable and contrary to the factual position. As the matter is currently *sub judice*, any impact of the same on the Company's standalone financial results is not ascertainable at this stage. The auditors have expressed an Emphasis of Matter on the said matter.
- 5) (a) The Company "Emaar India Limited", vide a Development Agreement dated 3 November 2006 (subsequently amended by the agreement dated 25 July 2007) entered into with Emaar Hills Township Private Limited ("EHTPL"), had undertaken the development of land in Hyderabad, which was conveyed to EHTPL by Andhra Pradesh Industrial Infrastructure Corporation ("APIIC") through a duly registered Conveyance Deed dated 28 December 2005. The Company also, vide Assignment Deed dated 3 November 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 assignment of development rights in the 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, the Central Bureau of Investigation ("CBI") has filed charge sheets against various persons, including the Company, its former Managing Director and certain officers of the Company. Based on the investigation of CBI, the Directorate of Enforcement, Hyderabad ('ED') registered ECIR No.08/HZO/2011 dated 30.08.2011, and subsequently filed a complaint/charge sheet before the Hon'ble Principal Special Judge for CBI Court, Hyderabad against several persons/ corporate bodies, including the Company and its few officers. The ED has attached certain properties of the Company's wholly owned subsidiary, Eternal Buildtech Private Limited, however the management has challenged the attachment before the Hon'ble PMLA Appellate Tribunal, New Delhi. The Company has assets and liabilities of Rs. 4,601.70 million (31 March 2024 - Rs 4,572.12 million) and Rs. 1,252.17 million (31 March 2024 - Rs 1,245.41 million) respectively, with respect to this project. Based on the legal advice received and internal assessments, the management believes that the allegations/matters raised above are untenable and contrary to the factual position and hence, will not have any material impact on the standalone financial result for the quarter ended 30 June 2024.
- (b) Telangana State Industrial Infrastructure Corporation ("TSIIC") had filed a Petition before the Hon'ble National Company Law Tribunal, Hyderabad Bench ('NCLT') against EHTPL and certain other parties under Sections 241 and 242 of the Companies Act 2013 ('the Act'). The Company had also been made respondent in the said proceedings. The said Petition was challenged by EHTPL on the preliminary ground that TSIIC has no *locus standi* to file the petition against EHTPL as it is not a recorded shareholder and Andhra Pradesh Industrial Infrastructure Corporation ("APIIC") continues to be named as shareholder in the Statutory Register of Members of EHTPL as maintained in terms of the provisions of the Act. Management believes that since the factual position with respect to demerger proceedings between State of Andhra Pradesh and State of Telangana and consequent apportionment of assets and liabilities between APIIC and TSIIC had not been completed and are still pending, therefore TSIIC has no *locus standi* to file the petition. Accordingly, the management believes that the petition filed by TSIIC is not tenable. However, vide its order dated 25 July 2022, the maintainability issue was decided by the NCLT in favor of TSIIC and further the NCLT had restrained EHTPL's majority shareholders and their representatives from dealing with the assets and properties of EHTPL. Further, on appeals filed against such order dated 25 July 2022, the Hon'ble National Company Law Appellate Tribunal, Chennai Bench ("NCLAT") vide its Judgment dated 10 October 2022 had upheld NCLT order dated 25 July 2022 on maintainability and the restraining order. However, relief regarding compensation for financial losses incurred by Government of Telangana / TSIIC, had been set aside. The said Judgment dated 10 October 2022 passed by the NCLAT was challenged before the Hon'ble Supreme Court, of India ("Supreme Court"), which vide its Order dated 28 November 2022 held that it is not inclined to interfere with the Judgment dated 10 October 2022 and the party aggrieved may challenge the preliminary issues already decided in the first instance before the Supreme Court once the entire case is heard and decided on merits. The TSIIC Petition under Sections 241 and 242 of the Act is now *sub judice* before the NCLT and counters are filed. Based on the legal advice received and internal assessments, EHTPL has moved a separate application under Section 8 of the Arbitration & Conciliation Act, 1996 on the grounds that the grievances raised by TSIIC are alleged violations of certain contractual clauses contained in the Shareholders Agreement and/or the said Collaboration Agreement which have an agreed mechanism of redressal of disputes by way of arbitration, therefore, the present dispute ought to be referred to arbitration. Pleadings are completed in the said application and is pending for arguments. Even in the main Company Petition filed by TSIIC, pleadings are completed and the matter is pending for arguments. Since the matter is presently *sub judice* the Company had not made any provision in the standalone financial results. The auditors have expressed an Emphasis of Matter on the said matter.



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- 6) As of 30 June 2024, the Company has outstanding current borrowings of Rs. 32,436.48 million which are due for repayment in the next one year. As per the present business plans, the Company will be able to meet its financial obligations in the next one year. As of 30 June 2024 the Company's net worth has been completely eroded (primarily due to Demerger that happened in the financial year 2018-19). The management has also 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 on development and can hence be used for raising additional capital, as and when required. Further, the ultimate Holding Company ('Emaar Properties PJSC') has provided necessary financial support in form of extending corporate guarantee ("CG") and standby letter of credit ("SBLC") to enable the Company to borrow from domestic lenders for its financing requirements. Hence, the Company's standalone financial results have been prepared on a going concern basis.
- 7) (a) The National Company Law Tribunal (NCLT) vide its order dated 16 July 2018 had approved the scheme of arrangement (Demerger) between the Company and MGF Developments Limited (MGF) and the same was filed with the Registrar of Companies on 31 July 2018. The Effective date of the said Scheme is 31 July 2018, with appointed date of 30 September 2015. In 2019-20, MGF had filed an application before the NCLT under Section 231 of the Companies Act, 2013 for implementation of the Scheme and the matter is currently *sub judice* before NCLT. The Company has filed an application seeking reference of the matter to Arbitration, which remains to be heard.

(b) The Company, its ultimate holding company ('Emaar Properties PJSC'), MGF Developments Limited ('MGF') and other parties had entered into certain indemnity agreement(s), which entitled the Company to raise indemnity claims on MGF, Mr. Shravan Gupta and their Group companies in respect of certain expenses/losses incurred by the Company. As per the terms of indemnity agreement(s), if MGF does not settle such indemnity claims within ten days from the date of receipt, the Company or its land-owning subsidiaries may unilaterally settle such claims by, *inter-alia*, terminating the development rights of certain land parcel(s) which were earlier transferred to MGF pursuant to the Demerger order dated 16 July 2018. Pursuant to the above, the Company had raised various claims, which MGF had failed to settle. In view of the same, the Company has enforced some of such indemnity claims.

During the previous financial years, MGF had disputed indemnity claims / enforcement and filed the Request for Arbitration ('RFA') on 22 December 2019, to the International Court of Arbitration, International Chambers of Commerce ('ICC'), London ("Arbitral Tribunal"). The RFA, *inter-alia*, also requested for resolution of disputes by arbitration over various matters pertaining to demerger arrangement between the parties, including the said indemnity agreements. The Arbitral Tribunal was constituted on 21 April 2020, MGF also filed an Application for Temporary Restraining Order & Interim Measures ("TRO") before the Arbitral Tribunal against the Company's unilateral settlement of various indemnity claims. After hearing both the parties, vide its order dated 15 May 2020, the Arbitral Tribunal dismissed MGF's TRO application and ordered that the Company should be free to exercise their contractual rights to enforce the security provided by MGF, by way of termination of development rights over certain land parcels, on the basis that damages will be an adequate remedy if the Company does so, in case of breach of said indemnity agreements. The Arbitral Tribunal further confirmed that, not only the Company may unilaterally settle indemnity claims, but also confirmed that there should be no restraint alienation of the development rights in those assets till the pendency of the arbitration proceedings. Thereafter, the parties filed their claims and counter claims under the ongoing arbitration proceedings before ICC. .

The Arbitral Tribunal passed a First Partial Award on 16 November 2022, wherein it has rejected the claim raised by MGF for loss of profits against the Company. Further, the Arbitral Tribunal in the First Partial Award also concluded on certain other claims and counter claims of both the parties and accordingly, the probable impact of the said award of Rs. 1,283.85 million was recorded in the books of the Company during the financial year 2022-23 as an exceptional item.

The Arbitral Tribunal passed a Second Partial Award on 19 February 2024 wherein it has determined the principals of various claims and counter claims of the parties, with final determination of the quantum of such claims has been reserved for judgement in the hearing held in June 2024. As the matter is currently *sub judice*, any impact of the same on the standalone financial results is not ascertainable at this stage and accordingly, no impact has been considered on the standalone financial results of the Company for the quarter ended 30 June 2024. Impact, if any shall be accounted for once the matter is concluded with final determination of the quantum of such claims. The auditors have expressed an Emphasis of Matter on the said matter.





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- 8) National Anti-Profitteering Authority ('NAA') passed orders alleging that the Company had undertaken profiteering activities on two projects, namely, Emerald Estate and Emerald Hills amounting to Rs. 133.57 million and Rs. 192.30 million respectively and therefore is liable to pass on such amount to its flat buyers together with interest thereon. The matter was contested on multiple grounds before the NAA including but not limited to, inconsistencies in calculation of profiteering by Director General of Anti-profitteering ('DGAP'), non-consideration of actual benefit passed on to customers etc. but was rejected by NAA. The Company has already passed benefit of Rs. 75.11 million and Rs 110.42 million to various flats buyers in Emerald Estate and Emerald Hills respectively, however this fact was rejected by NAA while passing the above orders. Further, NAA has directed the DGAP to investigate the issue of passing on the benefit of additional input tax credit in respect of 24 other projects of the Company. Subsequently, the Company has filed writ petition against this said order before the Hon'ble Delhi High Court and is hopeful of a favorable outcome based on the legal advice. The Company has deposited Rs. 44.1 million on 25 April 2022 as pre-deposit on the direction of Delhi High Court. The Hon'ble Delhi High Court vide judgment dated 29 January 2024 decided the aspect of constitutionality in favour of DGAP/NAA. The Court has also held that methodology adopted by DGAP/NAA is incorrect. The writ petition on merits is still pending before the Hon'ble Delhi High Court and the matter is currently sub-judice. The Company is hopeful of a favorable outcome. The next date is listed on 08 October 2024.
- 9) On 15 April 2022, MGF Developments Limited, Mr. Shravan Gupta and Ms. Shilpa Gupta have filed a petition (including interim application filed on 28 January 2023) under Sections 59, 241, 242 along with Section 213 read with 210 and other applicable provisions of Companies Act, 2013, before NCLT, New Delhi, seeking relief against the Company and certain other parties, alleging oppression and mismanagement by Emaar Properties PJSC, its associates and Group companies. Based on the legal advice received and internal assessments, the management believes that the allegations/matters raised in the petition are untenable and contrary to the agreements and are governed by arbitration arrangement between the parties. The matter is currently sub-judice and accordingly, in management's assessment, no adjustment is required to be made in the books of accounts.
- 10) During the year 2009, the Haryana Government had initiated land acquisition proceedings for approx. 1400 acres in various villages of District Gurugram, which was ultimately reduced to 87 acres. The erstwhile landowners filed cases alleging conspiracy between Government officials and private developers in the land acquisition process, however, the Supreme Court dismissed these appeals. Under directions from Supreme Court, CBI initiated investigation against all the alleged developers during financial year 2018-19 and 2019-20, the Enforcement Directorate also initiated parallel investigation under the Prevention of Money Laundering Act. The Company is fully co-operating with all investigations conducted by the authorities and providing requisite information and documents as and when required. The subject matter is currently under investigation and the Company believes that it has not violated any legal provisions.
- 11) Formulae for computation of ratios are as follows:

S. No.	Ratios	Formulae
A	Debt equity ratio	Secured Rated Listed Non-Convertible Debentures (Gross of debt initiation cost)
B	Debt service coverage Ratio	EBITDA/{finance costs + scheduled principal repayments (excluding prepayments) during the period for long-term debts} {EBITDA: Loss before tax + depreciation and amortization expense + finance costs + exceptional items}
C	Interest service coverage Ratio	EBITDA/finance costs
D	Current ratio	Current assets/current liabilities
E	Long term debt to working capital ratio	Long term debt/working capital {Long term debt: Long term borrowings (including current maturities) {working capital: Current assets - current liabilities}
F	Bad debts to account receivable ratio	Bad debts/average of opening and closing trade receivables {Bad debts: Impairment balance as per statements of profit and loss} {Accounts receivables: Trade receivables as per Statement of Assets and Liabilities}
G	Current liabilities ratio	Current liabilities/total liabilities
H	Total debts to total assets ratio	Total debts/total assets {Total debts: Long-term borrowings + short-term borrowings}
I	Debtor turnover ratio	Revenue from operations/average of opening and closing trade receivables
J	Inventory turnover ratio	Cost of revenue/average of opening and closing inventories
K	Operating margin ratio	Operating profit/revenue from operations {Operating profit: Revenue from operations - cost of revenue - employee benefits expense - other expenses - depreciation and amortization expense}
L	Net profit margin ratio	Total comprehensive Income / (loss) /total income



# EMAAR

INDIA

- 12) The standalone financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013.
- 13) The Company's business activities which are primarily construction and development, and related activities falls within a single reportable segment as the management of the Company views the entire business activities as construction and development. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 – 'Operating Segments' with respect to single reportable segment. Further, the operations of the Company are domiciled in India and therefore there are no reportable geographical segment.
- 14) The standalone financial results of the Company for the quarter ended 31 March 2024 are the balancing figures between audited figures of full financial year ended 31 March 2024 and the unaudited year to date figures upto 31 December 2023, being the date of end of third quarter of the relevant financial year, which were subjected to limited review.
- 15) Previous period/year numbers have been regrouped/reclassified, wherever considered necessary to make them comparable to the current period numbers.

**For and on behalf of the Board of Directors  
Emaar India Limited**



**Jamal Majed Khalfan Bin Theniyah**  
Director

Place: Dubai  
Date: 14 August 2024



**Kalyan Chakrabarti Yanmendra**  
Chief Executive Officer

Place: Gurugram  
Date: 14 August 2024



**Sumil Mathur**  
Chief Financial Officer

Place: Gurugram  
Date: 14 August 2024



**Bharat Bhushan Garg**  
Company Secretary

Place: Gurugram  
Date: 14 August 2024



To,  
The Board of Directors,  
Emaar India Limited

**Independent Auditor's Report pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR') (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended)**

1. This report is issued in accordance with the terms of our engagement letter dated October 23, 2023.
2. The accompanying statement containing details of listed Non-Convertible Debentures ('NCDs') of the Company outstanding as at June 30, 2024 along with security cover maintained against such NCDs (Section 1), related receivables secured against NCDs of the Company (Section II), and the Company's compliance with financial covenants as per the terms of debenture trust deed (Section III) (collectively referred to as "the Statement") as at June 30, 2024, has been prepared by the Company's management for the purpose of submission of the Statement along with this report to Vistra ITCL (India) Limited (formerly IL&FS Trust Company Limited) (the "Debenture Trustee"), as per the terms of the offer document/ Information memorandum and/ or Debenture Trust Deed in accordance with terms of Securities and Exchange Board of India (the "SEBI") SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 (hereinafter referred as the "SEBI Circular") and in accordance with terms of regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred as the "SEBI Regulations") and pursuant to the requirements of Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustee) Regulations, 1993(as amended) (collectively referred to as 'the SEBI Regulations'). We have initialed the Statement for identification purposes only.

#### **Management's Responsibility**

3. The Management of the Company is responsible for the maintenance of the security cover, related receivables secured against NCDs and compliance with the covenants of debt securities, including the preparation of Statement and preparation and maintenance of all accounting and other records and documents supporting such compliance. This responsibility includes the design, implement, and maintenance of internal control relevant to such compliance with the SEBI Regulation and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for preparation and maintenance of covenants list and compliance with such covenants on a continuous basis as per the debenture trust deed and to ensure compliance with the requirements of Debenture Trust Deed and provide all relevant information to the debenture trustees.
5. The Management is also responsible for ensuring that the Company complies with the requirements of the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, SEBI Regulations and other relevant circulars, guidelines and regulations as applicable to the Company and for providing all relevant information to the SEBI.



## Auditor's Responsibility

6. Pursuant to the requirements as referred to in paragraph 2 above, it is our responsibility to provide limited assurance in the form of a conclusion as to whether anything has come to our attention that causes us to believe that the:
  - a) Details included in Section I and Section III of the accompanying Statement regarding maintenance of hundred percent asset cover and compliance with financial covenants as stated in the debenture trust deeds of listed NCDs of the Company outstanding as at June 30, 2024, are not in agreement with the unaudited financial results of the Company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended June 30, 2024, or that the calculation thereof is arithmetically inaccurate; and
  - b) Details included in Section II of the accompanying Statement regarding related receivables secured against NCDs of the Company outstanding as at June 30, 2024, are not in agreement with the unaudited financial results of the Company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended June 30, 2024, or that the calculation thereof is arithmetically inaccurate; and
7. We have reviewed the unaudited financial results of the Company as of and for the quarter ended June 30, 2024, on which we issued an unmodified review conclusion vide our report dated August 14, 2024. Our review of these unaudited financial results were conducted in accordance with the SRE 2410 Review of Interim Financial Information performed by 'The Independent Auditor of the entity' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the review to obtain limited assurance about whether the financial results are free of material misstatement. Our review were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
8. For the purposes of our report, we have performed the following procedures in relation to Section I, Section II and Section III of the accompanying Statement:
  - a) Obtained the details of asset cover, related receivables and financial covenants criteria from the debenture trust deed in respect of the listed NCDs outstanding as at June 30, 2024.
  - b) Enquired and understood management's assessment of compliance with details of asset cover, related receivables and all the financial covenants as obtained in point (a) above and corroborated the responses from the understanding obtained by us during the review of the unaudited financial results as referred to in paragraph 7 above, and such further inspection of supporting and other documents as deemed necessary.
  - c) Traced the value of assets forming part of the asset cover and related receivables details from the unaudited financial results, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended June 30, 2024.





- d) Recomputed the asset coverage ratio based on the information as obtained in point (a) to (c) above.
  - e) Recomputed the financial covenant in relation to 'net borrowings to tangible net worth ratio' as mentioned in the Section III of the Statement as on June 30, 2024 ensured that it is in accordance with the basis of computation given in the debenture trust deed, and the amounts used in such computation have been accurately extracted from the unaudited financial results, underlying books of accounts and other relevant records and documents maintained by the Company for the quarter ended June 30, 2024.
  - f) Verified the arithmetical accuracy of the Statement.
  - g) Obtained necessary representations from the Management.
9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Conclusion

12. Based on our examination and the procedures performed as above, evidences obtained and the information and explanations given to us, along with the representations provided by the Management, nothing has come to our attention that cause us to believe that the details included in Section I, Section II and Section III of the accompanying Statement regarding maintenance of hundred percent asset cover, Statement regarding value of related receivables secured against the listed NCDs of the Company and compliance with financial covenants as stated in the debenture trust deeds of listed NCDs of the Company as at June 30, 2024, are not in agreement with the unaudited financial results, its underlying books of accounts and other relevant records and documents maintained by the Company for the quarter ended June 30, 2024, or the calculation thereof is arithmetically inaccurate.



## Restriction on Use

13. This report is addressed to the Board of Directors of the Company, pursuant to our obligations under the Engagement Letter for onward submission of this report to the Debenture Trustees as per the SEBI Regulation and SEBI Circular and should not be used by any other person or for any other purpose. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment.
14. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

Naresh Anand  
Partner  
Membership No: 503662  
UDIN: 24503662BKEJFT9434

  


Place: Gurugram  
Date: August 14, 2024

EMAAR INDIA LIMITED

Annexure A: Statement for security cover available for secured listed NCD as on 30 June 2024

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Part- Passu Charge	Part- Passu Charge	Part- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis (Refer Note 1)	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (for Eg. Bank balance, DSR) market value is not applicable	Market Value for Part Passu charge Assets	Carrying /book value for part passu charge assets where market value is not ascertainable or applicable	Total Value (K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Related to Column F	Market Value for Part Passu charge Assets	Carrying /book value for part passu charge assets where market value is not ascertainable or applicable	Total Value (K+L+M+N)
Assets														
Property, Plant and Equipment			58.08				1,121.11		1,179.19	-				
Capital Work-in-Progress							159.11		159.11					
Right of Use Assets							129.72		129.72					
Goodwill														
Intangible Assets							66.92		66.92					
Intangible Assets under Development														
Investments														
Loans							1,497.03		1,497.03					
Inventories		13,580.16					2,519.35		2,519.35					
Trade Receivables							34,326.03		47,906.19	46,870.79				46,870.79
Cash and Cash Equivalents							915.51		915.51					
Bank Balances other than Cash and Cash Equivalents			230.15				1,027.42		1,027.42					
Others							5,797.02		6,027.17					
Total Assets		13,580.16	288.23				36,434.09		36,434.09					46,870.79
LIABILITIES														
Borrowings			271.24				43,730.41		44,001.65					
Debt securities							36,530.27		36,530.27					
Trade Payable							5,812.45		5,812.45					
Lease Liabilities							163.92		163.92					
Provisions							3,586.28		3,586.28					
Others							7,767.13		7,767.13					
Total Liabilities (Including Equity)			271.24				97,590.46		97,861.70					
Cover on Book Value														
Cover on Market Value														

Notes:

- i) Fair valuation of Inventory as disclosed in the table above is considered from the valuation report as at 31 December 2023. These valuations are based on valuations performed by an accredited independent valuers.
- ii) The Statement has been prepared on the basis of financial results of Emaar India Limited (the Company) for period ended 30 June 2024 prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') specified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- iii) The Company had issued 22,600 NCDs of Rs. 10,00,000 each. Pursuant to the scheme of arrangement (demerged) between the Company, MGF Developments Limited (MGFL) and their respective lenders and creditors which has been approved by the National Company Law Tribunal (NCLT) vide its order dated 16 July 2018, 30.79% of the face value of Rs. 1,000,000 of each debenture (i.e., Rs 307.876 per debenture) has been demerged and transferred to MGF Developments Limited ('MGF NCDs'). Accordingly, the face value of debenture of Rs. 692,124 per debenture ('Emaar NCDs') of the Company is not applicable as on 30 June 2024, as Emaar NCDs already stands repaid. The Company continues on the balance outstanding of MGF NCDs.
- iv) Asset coverage ratio has been calculated based on total assets extracted from the financial results/statements of the Company.
- v) The listed NCDs are secured by way of charge on the following:
  - a) Non-Agricultural freehold land admeasuring 397.28 sq.mtrs forming part of the land parcel located at Mauje Maharajpura of Kadi Taluka, Ahmedabad, Gujarat.
  - b) All the Collection Accounts, Distribution Accounts, Receivables and any amount to be deposited in these accounts with respect to the 'Project Emerald Hills Extension', a township project on 95.25 acres in Sector 62 & 66, Gurgaon, and 'Project Marbella' on 109.069 acres in Sector 69, Gurgaon being developed by the Company, including first and exclusive mortgage by way of deposit of title deeds of such land parcels owned by the land owning subsidiary companies.



**Emaar India Limited**

**Section-II - Value of receivables/book debts kept as security against listed Non-Convertible Debentures ('NCDs') as on 30 June 2024**

<b>Particulars</b>	<b>(Rs. in million)</b>
<b>Assets</b>	
Receivables for EHE project	-
Receivables for Marbella project	-
<b>Total receivables (refer note 2)</b>	-

**Notes to statement:**

1. The Statement has been prepared on the basis of standalone financial results of Emaar India Limited ('the Company') for the period ended 30 June 2024 prepared in accordance with Indian Accounting Standards (hereinafter referred to as the Ind AS) specified under the Companies (Indian Accounting Standards) Rules 2015, as amended.
2. The Company recognizes revenue in accordance with Ind AS 115 whereby, revenue revenue from sale of properties is recognized when control over the property has been transferred i.e. offer for possession of properties have been issued to the customers and substantial sales consideration is received from the customers, due to which trade receivables are minimal.

For Emaar India Limited



\_\_\_\_\_  
Authorised Signatory





Section III - Compliance with financial covenant

Computation of net borrowings to tangible net worth ratio as on 30 June 2024

Particulars	(Rs. in million)
Net borrowings (refer table A)	
Tangible net worth (refer table B)	77,984.61
<b>Net borrowings to tangible net worth ratio</b>	<b>(38,639.75)</b>
	<b>(2.02)</b>

Table A

Particulars	(Rs. in million)
Long-term borrowings	48,095.45
Current maturities of long-term borrowings	5,758.99
Short-term borrowings	26,677.49
Less: deferred payment liabilities	(1,519.90)
Less: cash and cash equivalents	(1,027.42)
<b>Net borrowings</b>	<b>77,984.61</b>

Table B

Particulars	(Rs. in million)
Equity share capital	1,693.87
Other equity	(40,333.62)
<b>Tangible net worth</b>	<b>(38,639.75)</b>

Notes to statement:

1. The Statement has been prepared based on the basis of financial results of Emaar India Limited for the period ended 30 June 2024 prepared in accordance with Indian Accounting Standards (hereinafter referred to as the Ind AS) specified under the Companies (Indian Accounting Standards) Rules 2015, as amended.

For Emaar India Limited



Authorised Signatory

