



EMAAR MGF LAND LIMITED
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in million)

Sr. No.	Particulars	Half Year Ended March 31, 2016	Half Year Ended March 31, 2015	Year Ended March 31, 2016	Year Ended March 31, 2015
		Unaudited	Unaudited	Audited	Audited
1	(a) Income from Operations	1,877.08	8,645.65	7,152.43	12,920.07
	(b) Other Operating Income	146.65	401.56	245.59	971.62
	Total Income	2,023.73	9,047.21	7,398.02	13,891.69
2	Expenditure				
	(a) (Increase)/Decrease in inventories	(1,231.34)	1,442.69	(823.22)	(416.48)
	(b) Cost of land & development rights	1,460.00	41.92	1,466.03	200.69
	(c) Material cost & contractor expenses	1,155.54	3,345.42	3,135.38	6,934.19
	(d) Claim and compensation expenses	848.51	257.41	1,164.66	421.66
	(e) Employees cost	379.75	524.93	788.70	992.79
	(f) Depreciation/amortisation	24.35	28.93	50.86	63.01
	(g) Other expenditure	772.71	2,223.32	1,594.78	4,333.60
	Total Expenditure	3,409.52	7,864.62	7,377.19	12,529.46
3	Profit/(Loss) from operations before other income and finance cost	(1,385.79)	1,182.59	20.83	1,362.23
4	Other Income	280.27	237.65	442.80	488.34
5	Profit/(Loss) from operations before finance costs	(1,105.52)	1,420.24	463.63	1,850.57
6	Finance costs	2,459.07	2,748.38	5,175.70	5,627.55
7	Prior period items (net of Tax expense)	-	-	-	-
8	(Loss) from Ordinary Activities before tax	(3,564.59)	(1,328.14)	(4,712.07)	(3,776.98)
9	Tax expense- reversal of MAT credit entitlement	-	199.71	-	199.71
10	Net (Loss) after tax from Ordinary Activities	(3,564.59)	(1,527.85)	(4,712.07)	(3,976.69)
11	Extraordinary activities	-	-	-	-
12	Net (Loss) for the period	(3,564.59)	(1,527.85)	(4,712.07)	(3,976.69)
13	Paid-up Equity Share Capital (face value of Rs.10 per share)	9,126.20	9,126.20	9,126.20	9,126.20
14	Paid up Debt Capital	40,577.89	42,107.50	40,577.89	42,107.50
15	Reserves excluding Revaluation Reserves, Capital Redemption Reserve and Debenture Redemption Reserve	3,750.95	10,771.60	3,750.95	10,771.60
16	Net Worth	22,225.53	29,246.18	22,225.53	29,246.18
17	Debenture Redemption Reserve	738.13	738.13	738.13	738.13
18	Capital Redemption Reserve	8,610.25	8,610.25	8,610.25	8,610.25
19	Earnings / (Loss) Per Share (in Rupees) (Basic & Diluted)	(3.91)	(1.67)	(5.16)	(4.36)
20	Debt Equity Ratio	1.83	1.44	1.83	1.44
21	Debt Service Coverage Ratio	(0.40)	0.41	0.08	0.34
22	Interest Service Coverage Ratio	(0.44)	0.53	0.10	0.34

Emaar MGF Land Limited

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Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 25 May 2016.
2. The non-convertible debentures are secured by an adequate asset cover.
3. 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 plus reserves and surplus (mentioned below)
 - * Reserves and Surplus includes Capital reserve, Capital redemption Reserve, Debenture redemption reserve, Securities premium account and (Deficit)/Surplus in Statement of Profit and Loss.
 - * Paid up Debt Capital represents secured loans and unsecured loans excluding deferred payment liabilities.
 - (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 = Share Capital + Reserves & Surplus
4. Additional disclosures as per Regulation 52(4) of SEBI (LODR) Regulations, 2015

S.No.	Particulars	Credit Rating	Principal		Interest	
			Previous due date	Next due date	Previous due date	Next due date
1	5,750 (13%) Secured Redeemable Non-convertible debentures	CARE B	31 Mar 2016 (not paid)	Not applicable	31 Mar 2016 (paid)	Immediate, since principal is overdue
2	22,600 (13.90%) Secured Redeemable Non-convertible debentures	CARE D revised from CARE BB	Not applicable	31 May 2017	30 Sep 2014 (paid)	30 Sep 2016
3	6,000 (Zero Coupon) Secured Redeemable Non-convertible debentures	ICRA D revised from ICRA B	At monthly rest. Installments due on or after 31 Jul 2015 remain in arrears.	30 Apr 2016	Not applicable	Not applicable

Note: Due dates disclosed above are after considering extensions granted by the debenture holders.



5. 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. The Company has investments in the equity share capital of the said subsidiary company aggregating to Rs. 603.53 million and has advances recoverable aggregating to Rs. 2,098.40 million from the Subsidiary. The Company has also given commitment for support in case of unfavorable outcome to the Subsidiary in respect of any of the litigations / disputes. The management is hopeful of favorable outcome of various sub-judice matters. The auditors have expressed an emphasis of matter on the same.
6. 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 recoverable assets and outstanding liabilities of Rs. 2,998.47 million and Rs. 1,789.60 million respectively and revenues recognised till date of Rs. 1,353.60 million (which has been realised in cash) 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.
7. The Company has incurred a book loss of Rs. 4,712.07 million (previous year -Rs. 3,976.69 million) besides also incurring a cash loss primarily on account of finance costs. Further, as at March 31, 2016 the Company has debts of Rs. 3,469.91 million (previous year - Rs. 7,090.94 million) which are due for repayment in the next one year, in addition to principal liability of Rs. 5,326.27 million (previous year – Rs. 1,306.70 million) and interest liability of Rs. 1,932.11 million (previous year - Rs. 2,624.21 million) which is overdue and remains unpaid till date. Additionally, principal and interest on some of the loans/debentures which were due post March 31, 2016 has not yet been paid, besides breach in some of the technical/financial parameter. As per the present business plans the Company would (i) require additional capital either in the form of long term debts/equity and (ii) reschedule debt and interest obligations; for an aggregate of Rs. 19,750.00 million (previous year - Rs. 13,000.00 million) to be able to meet its financial obligations in the next one year. The management and the promoters of the Company have been exploring options for raising funds to meet the financial obligations of the Company and also are working with certain lenders to re-schedule the principal and interest payment terms in line with its expected cash flows. To facilitate the same, the Company and its promoters have also filed a Scheme of Arrangement before the Hon’ble High Court of Delhi for reorganising its business and demerging part of the same to a separate entity (refer note no. 8 below). 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.

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8. 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 at its meeting held on May 11, 2016, have approved (subject to approval of the shareholders and creditors of the Company and relevant regulatory authorities) demerger of an undertaking of the Company, pursuant to a Scheme of Arrangement under Section 391-394 of the Companies Act, 1956. The said Scheme has also been filed with the Hon'ble High Court of Delhi on May 16, 2016. No impact of the same has been given to the results, pending receipt of relevant approvals.
9. Previous year/period figures have been re-grouped / re-arranged wherever applicable.

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

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

Place: New Delhi
Date: May 25, 2016