

# EMAAR

INDIA

November 10, 2021

To,

The General Manager  
Department of Corporate Services  
Bombay Stock Exchange 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: Disclosure as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for quarter and half year ended September 30, 2021**

Dear Sir,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform the following in respect of captioned Securities –

1	Debt-Equity Ratio	(1.77) times
2.	Debt Service Coverage Ratio	0.23 times
3.	Interest Service Coverage Ratio	0.49 times
4.	Outstanding Redeemable Preference Shares	NIL
5.	Capital Redemption Reserve	NIL
6.	Debenture Redemption Reserve	Rs. 738.13 Million
7.	Net Worth	Rs. (36,949.63) Million
8.	Net Profit after Tax	Rs. (830.79) Million
9.	Earnings Per Share	Rs. (4.90)
10	Current Ratio	0.89 times
11	Long term debt to working capital	(4.73) times
12	Bad debts to Account receivable ratio	0%
13	Current liability ratio	0.78 times
14	Total debts to total assets	0.69 times
15	Debtors turnover	1.77 times
16	Inventory turnover	0.04 times
17	Operating margin	19.48%
18	Net profit margin	-25.70%

Financial results for the for the quarter and half year ended September 30, 2021 is enclosed herewith.

Thanking you,

Yours faithfully,

**For Emaar India Limited**

**Sd/-**

**Bharat Bhushan Garg**  
**Company Secretary**

EMAAR INDIA LIMITED

*(formerly known as Emaar MGF Land Limited)*

Emaar Business Park, MG Road, Sikanderpur, Sector 28, Gurugram 122002. Haryana

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Registered Office: 306-308, Square One, C-2, District Centre, Saket, New Delhi – 110 017

Tel.: +91 11 4152 1155, 4948 3100 FAX: +91 11 4152 4619 | CIN: U45201DL2005PLC133161

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## **Independent Auditor’s Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Company 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 (*formerly known as Emaar MGF Land Limited*)**

1. We have reviewed the accompanying statement of unaudited financial results (‘the Statement’) of Emaar India Limited (*formerly known as Emaar MGF Land Limited*) (‘the Company’) for the quarter ended 30 September 2021 and the year to date results for the period 1 April 2021 to 30 September 2021, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the figures for the preceding quarter ended 30 June 2021 have been approved by the Company’s Board of Directors, but have not been subjected to audit or review.
2. The Statement, which is the responsibility of the Company’s management and 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 (‘Ind AS 34’), prescribed under Section 133 of the Companies Act, 2013 (‘the Act’), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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 the 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.

# Walker Chandniok & Co LLP

## Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

4. As described in note 5 to the accompanying Statement which describes the petition filed by Emaar Holding II, shareholder and promoter of the Company under Section 241 of the Companies Act, 2013 seeking relief against former shareholder, managing director, director and their connected entities (collectively referred to as 'MGF Group') where the Company has also been named as a respondent party. Under this petition, Emaar Holding II has, inter-alia, prayed to 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 from 2006 to 2016, along with interest, from the date of respective loss. Pending adjudication of the matter, the management is of the view that the impact of such alleged acts and transactions on the accompanying Statement is presently unascertainable and hence, in absence of such information, we are unable to comment on the impact, if any, of such alleged acts and transactions on the accompanying Statement. Our conclusion for the half year ended 30 September 2020 and our opinion for the year ended 31 March 2021 were also qualified in respect of this matter.
5. Based on our review conducted as above, except for the possible effects of the matter described in previous section, 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, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to the following notes to the accompanying Statement:
  - a) Note 6 in relation to investment made in and advances given to one of the subsidiary company, Emaar MGF Construction Private Limited, aggregating INR 362.78 million and INR 734.93 million respectively as at 30 September 2021. As described in the note, there are various significant ongoing litigations in the said subsidiary company relating to a project undertaken by it, the outcome of which is presently unascertainable.
  - b) Note 7 which describes the uncertainty with respect to the outcome of various ongoing litigations involving the Company and its development partners with Andhra Pradesh Industrial Infrastructure Corporation (APIIC) and other parties alleging certain irregularities relating to a project in Hyderabad. The Company has outstanding assets and liabilities of INR 4,130.91 million and INR 2,123.54 million respectively with respect to this project. The final outcome of these litigations is presently unascertainable.

# Walker Chandniok & Co LLP

## Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

- c) Note 8 which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of the same on the financial results of the Company as at the balance sheet date. In view of these uncertainties, the impact on the Company's operations is significantly dependent on future developments.

Our conclusion is not modified in respect of these matters.

### For Walker Chandniok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

**Neeraj Sharma**

Partner

Membership No. 502103

**UDIN:** 21502103AAAAGN1682

**Place:** Gurugram

**Date:** 10 November 2021



**Emaar India Limited**  
(Formerly Emaar MGF Land Limited)

CIN-U45201DL2005PLC133161

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

Email ID – bharat.garg@emaar-india.com

Website : [www.emaar-india.com](http://www.emaar-india.com)

**STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2021**

(Rs. in million)

Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	808.11	834.57
Capital work-in-progress	157.81	96.92
Right of use assets	103.90	114.13
Intangible assets	3.47	4.74
Financial assets		
Investments	869.93	869.93
Other bank balances	846.40	601.68
Other financial assets	28.41	28.16
Non-current tax assets (net)	232.16	262.60
Other non-current assets	2,169.80	2,163.36
<b>Total non-current assets</b>	<b>5,219.99</b>	<b>4,976.09</b>
<b>Current assets</b>		
Inventories	49,921.99	52,296.85
Financial assets		
Investments	407.08	237.02
Trade receivables	1,742.26	1,364.66
Cash and cash equivalents	824.73	835.86
Other bank balances	1,850.06	1,186.56
Loans	4,653.93	5,353.07
Other financial assets	406.88	432.96
Other current assets	35,322.49	35,320.02
<b>Total current assets</b>	<b>95,129.42</b>	<b>97,027.00</b>
<b>Total assets</b>	<b>100,349.41</b>	<b>102,003.09</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,693.87	1,693.87
Other equity	(38,643.50)	(37,559.15)
<b>Total equity</b>	<b>(36,949.63)</b>	<b>(35,865.28)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	30,471.57	48,601.19
Lease liabilities	114.31	122.75
Other financial liabilities	-	12,936.12
Provisions	116.20	100.85
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	38,384.64	20,227.27
Lease liabilities	21.30	21.64
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	172.36	176.00
-Total outstanding dues of creditors other than micro enterprises and small enterprises	8,276.78	9,809.84
Other financial liabilities	19,294.72	5,024.16
Other current liabilities	34,320.33	33,923.84
Provisions	6,126.83	6,924.71
<b>Total liabilities</b>	<b>137,299.04</b>	<b>137,868.37</b>
<b>Total equity and liabilities</b>	<b>100,349.41</b>	<b>102,003.09</b>



STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

(Rs. in million)

Particulars	Quarter ended		Half year ended		Year ended
	30 September 2021	30 June 2021	30 September 2021	30 September 2020	31 March 2021
	Unaudited	Unaudited (Refer note 14)	Unaudited	Unaudited	Audited
<b>INCOME</b>					
Revenue from operations	3,077.37	4,678.35	7,755.72	5,730.97	18,935.28
Other income	153.76	227.40	381.16	315.73	506.13
<b>Total income</b>	<b>3,231.13</b>	<b>4,905.75</b>	<b>8,136.88</b>	<b>6,046.70</b>	<b>19,441.41</b>
<b>EXPENSES</b>					
Cost of land, constructed properties, development rights and others	1,809.87	2,846.77	4,656.64	3,730.08	12,889.93
Employee benefits expense	212.09	216.08	428.17	357.23	736.70
Finance costs	1,584.01	1,602.49	3,186.50	3,208.84	6,457.90
Depreciation and amortization expense	20.38	22.37	42.75	53.23	102.66
Other expenses	435.57	476.15	911.72	644.87	2,588.30
<b>Total expenses</b>	<b>4,061.92</b>	<b>5,163.86</b>	<b>9,225.78</b>	<b>7,994.25</b>	<b>22,775.49</b>
<b>Loss before exceptional items and tax</b>	<b>(830.79)</b>	<b>(258.11)</b>	<b>(1,088.90)</b>	<b>(1,947.55)</b>	<b>(3,334.08)</b>
Exceptional items (net)	-	-	-	1,847.28	1,041.02
<b>Loss before tax</b>	<b>(830.79)</b>	<b>(258.11)</b>	<b>(1,088.90)</b>	<b>(100.27)</b>	<b>(2,293.06)</b>
Tax expense	-	-	-	-	-
<b>Loss for the period/year</b>	<b>(830.79)</b>	<b>(258.11)</b>	<b>(1,088.90)</b>	<b>(100.27)</b>	<b>(2,293.06)</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss in subsequent years					
Re-measurement gains on defined benefit plans	0.35	4.20	4.55	3.36	10.65
<b>Other comprehensive income for the period/year, net of tax</b>	<b>0.35</b>	<b>4.20</b>	<b>4.55</b>	<b>3.36</b>	<b>10.65</b>
<b>Total comprehensive income for the period/year, net of tax</b>	<b>(830.44)</b>	<b>(253.91)</b>	<b>(1,084.35)</b>	<b>(96.91)</b>	<b>(2,282.41)</b>
Loss per share (in rupees) (Basic and diluted) (not annualised)	(4.90)	(1.52)	(6.42)	(0.69)	(14.64)
Paid-up equity share capital (Face value of Rs. 10 per share)	1,693.87	1,693.87	1,693.87	1,693.87	1,693.87
Other equity (Excluding debenture redemption reserve)	(39,381.63)	(38,551.20)	(39,381.63)	(36,111.79)	(38,297.28)
Debenture redemption reserve	738.13	738.13	738.13	738.13	738.13
<b>Net worth</b>	<b>(36,949.63)</b>	<b>(36,119.20)</b>	<b>(36,949.63)</b>	<b>(33,679.79)</b>	<b>(35,865.28)</b>



**Note 1: Cash flow statement for the half year ended 30 September 2021**

Particulars	(Rs. in million)
	30 September 2021 Unaudited
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<b>Loss before tax</b>	<b>(1,088.90)</b>
<b>Adjustments for:</b>	
Depreciation and amortization expense	42.75
Unrealised foreign exchange loss (net)	0.40
Net gain on disposal of property, plant and equipment (net)	(0.52)
Net gain on sale of current investment (including impact of fair valuation)	(0.40)
Interest income	(72.21)
Gain on exchange of land (net)	(785.72)
Finance costs excluding interest on lease liabilities	3,179.46
Interest on lease liabilities	7.04
Reversal of doubtful advances (net)	(105.93)
Amounts written off	61.74
Income from forfeiture of customer advances	(12.38)
Provision for doubtful balances with statutory authorities	47.98
Unclaimed balances and excess provisions written back	(7.55)
<b>Operating profit before working capital changes</b>	<b>1,265.76</b>
<b>Adjustments for:</b>	
Trade payables and other financial liabilities	(722.66)
Other current liabilities	408.86
Provisions	(777.97)
Inventories	3,190.49
Trade receivables	(377.60)
Other financial assets and other assets	85.85
<b>Cash flows from operating activities after working capital changes</b>	<b>3,072.73</b>
Direct taxes paid (net)	30.44
<b>Net cash flows from operating activities (A)</b>	<b>3,103.17</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(73.44)
Proceeds from sale of property, plant and equipment	6.82
Purchase of current investments (net)	(166.25)
Movement in bank deposits with maturity more than three months (net)	(899.93)
Loans given to subsidiaries	(72.86)
Loans received back from subsidiaries	726.26
Interest received	156.09
<b>Net cash used in investing activities (B)</b>	<b>(323.31)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from non-current borrowings	4,350.00
Repayments of non-current borrowings	(4,953.96)



<b>Cash flow statement for the half year ended 30 September 2021 (Cont'd)</b>		<b>(Rs. in million)</b>
<b>Particulars</b>		<b>30 September 2021 Unaudited</b>
Movement in current borrowings (net)		144.82
Finance costs paid		(2,206.88)
Payment of lease liabilities		(10.17)
Interest on lease liabilities		(7.04)
<b>Net cash used in financing activities (C)</b>		<b>(2,683.23)</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>		<b>96.63</b>
Cash and cash equivalents as at beginning of the year		(484.37)
<b>Cash and cash equivalents as at end of the period (refer note below)</b>		<b>(387.74)</b>

**Note:**

For the purpose of cash flow statement, cash and cash equivalents comprises the following:

		<b>(Rs. in million)</b>
<b>Particulars</b>		<b>30 September 2021 Unaudited</b>
Cash on hand		2.83
Cheques in hand		19.71
Balance with banks		
In current accounts		801.69
In bank deposits		0.50
<b>Cash and cash equivalents</b>		<b>824.73</b>
Less : Bank overdraft		(1,212.47)
<b>Cash and cash equivalents for cash flow statement</b>		<b>(387.74)</b>

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**Note 2: Additional disclosure as per Regulation 52(4) and 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended):**

S. No.	Particulars	Quarter ended		Half year ended		Year ended
		30 September 2021	30 June 2021	30 September 2021	30 September 2020	31 March 2021
		Unaudited	Unaudited (Refer note 14)	Unaudited	Unaudited	Audited
1	<b>Debt service coverage ratio (in times)</b> <i>Definition: EBITDA/{finance costs + scheduled principal repayments (excluding prepayments) during the period for long-term debts}</i> <i>{EBITDA: Loss before tax + depreciation and amortisation expense + finance costs}</i>	0.23	0.29	0.26	0.35	0.27
2	<b>Interest service coverage ratio (in times)</b> <i>Definition: EBITDA/finance costs</i>	0.49	0.85	0.67	0.99	0.66
3	<b>Bad debts to account receivable ratio (%)</b> <i>Definition: Bad debts/average of opening and closing trade receivables</i> <i>{Bad debts: Impairment balance as per statements of profit and loss}</i> <i>{Accounts receivables: Trade receivables as per balance sheet}</i>	0%	0%	0%	0%	0%
4	<b>Debtors turnover (in times)</b> <i>Definition: Revenue from operations/average of opening and closing trade receivables</i>	1.77	3.01	4.99	7.64	17.97
5	<b>Inventory turnover (in times)</b> <i>Definition: Cost of land, constructed properties, development rights and others /average of opening and closing inventories</i>	0.04	0.06	0.09	0.06	0.23
6	<b>Operating margin (%)</b> <i>Definition: Operating profit/revenue from operations</i> <i>{Operating profit: Revenue from operations - Cost of land, constructed properties, development rights and others - employee benefits expense - other expenses - depreciation and amortisation expense}</i>	19.48%	23.88%	22.13%	16.50%	13.82%
7	<b>Net profit margin (%)</b> <i>Definition: Loss for the period/total income</i>	-25.70%	-5.18%	-13.33%	-1.60%	-11.74%
8	<b>Debt equity ratio (in times)</b> <i>Definition: Net debts/net worth</i> <i>{Net debts: Long-term borrowings + short-term borrowings - cash and cash equivalents - other bank balances}</i>	(1.77)		(1.77)		(1.85)
9	<b>Current ratio (in times)</b> <i>Definition: Current assets/current liabilities</i>	0.89		0.89		1.27
10	<b>Long term debt to working capital (in times)</b> <i>Definition: Long-term debt/working capital</i> <i>{Long term debt: Long-term borrowings (including current maturities)}</i> <i>{Working capital: Current assets - current liabilities}</i>	(4.73)		(4.73)		2.66
11	<b>Current liabilities ratio (in times)</b> <i>Definition: Current liabilities/total liabilities</i>	0.78		0.78		0.55
12	<b>Total debts to total assets (in times)</b> <i>Definition: Total debts/total assets</i> <i>{Total debts: Long-term borrowings + short-term borrowings}</i>	0.69		0.69		0.67



- 3) 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 10 November 2021. These financial results have been subjected to limited review by the Statutory Auditors of the Company.
- 4) **Additional information in reference to debentures:**

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	CARE BB+; Stable (Double B plus; Outlook: Stable)	Not applicable	20 May 2022	30 September 2014 (paid)	20 May 2022

**Notes:**

- Due dates disclosed above are after considering extensions granted by the debenture holders.
  - The non-convertible debentures referred above are secured by an adequate asset cover.
  - Pursuant to the scheme of arrangement between the Company, MGF Developments Limited ('the resulting company') 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 has been demerged and transferred to the resulting company. The above-mentioned face value of Rs. 1,000,000 was before demerger.
- 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 ('NCLT'), New Delhi, seeking relief against MGF Developments Limited, Mr. Shравan Gupta, Ms. Shilpa Gupta and its connected entities (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, from the date of respective loss. MGF Group had also filed its reply and thereafter both parties 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 matters are currently sub-judice, any impact of the same on the financial results is not ascertainable at this stage. The auditors have expressed qualification on the same.
  - 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 whereby the Company has obtained legal advice and expects favorable outcomes. The Company has investments in the equity share capital of the said Subsidiary aggregating to Rs. 362.78 million (31 March 2021 - Rs. 362.78 million) and has advances recoverable aggregating to Rs. 734.93 million (31 March 2021 - Rs. 1,431.61 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.
  - The Company, 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 sold to EHTPL by Andhra Pradesh Industrial Infrastructure Corporation 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 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 Enforcement Directorate. The Company has assets and liabilities of Rs. 4,130.91 million (31 March 2021 - Rs. 4,125.92 million) and Rs. 2,123.54 million (31 March 2021 - Rs. 2,235.43 million) respectively. 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.



- 8) The Covid-19 pandemic has severely impacted the businesses and economic activities around the world including India. Due to lockdown announced by the Government, the Company's operations were suspended/slowed down during the lockdown period. The business operations have already resumed, following Government's directives and expected to return to normalcy in due course of time. Considering the unprecedented and ever evolving situation, the Company has made assessment of its liquidity position, including recoverability of assets at balance sheet date. On the basis of the current assessment and estimates, the Company does not see risk of recoverability of its assets and accordingly no material adjustment is required in these financial results. However, given the uncertainties associated with nature, condition and duration of Covid-19 pandemic, the impact may be different from that as estimated as at the date of approval of these financial results and the management will continue to closely monitor the changes to future economic conditions. The auditors have expressed an emphasis of matter on the same.
- 9) As at 30 September 2021, the Company has long-term borrowings (including debentures) of Rs. 23,821.23 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 at 30 September 2021, while the Company's net worth is negative (primarily due to Demerger happened in the financial year 2018-19), the management 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 on development and can hence be used for raising additional capital, as and when required. Further, the Emaar Properties PJSC, ultimate holding company has agreed that it shall continue to provide support to the Company in arranging for funds to enable the Company to meet its operational and project requirements. Hence, these financial results have been prepared on a going concern basis.
- 10) 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 said Scheme is effective from the appointed date of 30 September 2015. On 3 June 2019, MGF had filed an application before the NCLT under Section 231 of the Companies Act, 2013 for enforcement of the Scheme. NCLT vide its order dated 19 November 2019, directed the Company and MGF to mediate the matter before former Supreme Court Judge, Justice D.K. Jain ('Mediator'), and for the Mediator to suggest ways and means for implementation of Scheme by the parties. Pursuant to such appointment of Mediator, the NCLT disposed-off the said Section 231 application filed by MGF. During the mediation process, the Company informed the Mediator that MGF has invoked arbitration proceedings raising various disputes under demerger arrangement before the International Court of Arbitration, International Chamber of Commerce ('ICC'), London, as referred in Note 11 below. The Company further informed the Mediator that there will be an overlap of arbitration proceedings and the mediation process, hence, the mediation proceedings be terminated. In view of the same, the Mediator vide its order dated 27 January 2020 closed the mediation proceedings, with liberty to the parties to revive the same, as and when considered necessary. Thereafter, MGF again filed an application under section 231 of the Companies Act, 2013 for implementation of the Scheme and the matter is currently sub-judice before NCLT.
- 11) 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 as per details given below:

<b>Date</b>	<b>Nature</b>	<b>Value of assets enforced (Rs. Million)</b>
17 September 2019	By way of termination of development rights over certain land parcels	2,250.04
26 May 2020	By way of termination of development rights over certain land parcels	1,375.06
7 September 2020	By way of adjustment of amounts payable	1,103.36
11 November 2020	By way of termination of development rights over certain land parcels	720.08



During the previous year, MGF has disputed indemnity claims/enforcement and filed the Request for Arbitration ('RFA') on 22 December 2019 to the International Court of Arbitration, International Chamber of Commerce ('ICC'), London. 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 has been constituted with the Company and MGF each nominating their arbitrators and both these arbitrators have appointed a third arbitrator who is acting as president for such arbitration proceedings seated in London.

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 indemnity claims. After hearing both the parties, vide its order dated 15 May 2020, the Arbitral Tribunal dismissed MGFs 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 on alienation of the development rights in those assets.

Thereafter, under the ongoing arbitration proceedings, in September 2020 MGF had filed its statement of claims before the Arbitral Tribunal and the Company has also filed its statement of defence and counterclaims in January 2021. The matters are currently sub-judice before the Arbitral Tribunal.

- 12) The Hon'ble Supreme Court had, vide its judgment dated 9 August 2019 disposed off bunch of writ petitions and has upheld the constitutional validity of provisions inserted by the Insolvency and Bankruptcy Code (Second Amendment) Act, 2018 ("Code"). As a result, the homebuyers continued to be considered as financial creditor for the purposes of the said Code. However, pursuant to the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019 promulgated on 28th December 2019, the said Code was amended to provide minimum thresholds in case of real estate projects, that if an allottee wants to initiate the insolvency process, the application should be filed jointly by at least 100 allottees of the same real estate project, or 10% of the total allottees under that project, whichever is less. After promulgation of the Ordinance and thereafter the notification of Insolvency and Bankruptcy Code (Amendment) Act, 2020, a number of homebuyers had approached the Hon'ble Supreme Court by filing writ petitions challenging the said provisions of Ordinance to be ultra vires the Constitution of India and in violation of Articles 14 and 21 (Fundamental Rights). The Hon'ble Supreme Court had, in the matter titled 'Manish Kumar V. Union of India & Anr.' and other tagged matters vide its judgment dated 19th January 2021, upheld the constitutional validity of Insolvency and Bankruptcy Code (Amendment) Act, 2020. As a result, the homebuyers continued to be considered as financial creditor for the purposes of the said Code, however, now the homebuyers must meet the minimum thresholds. Based on the judgment of the Hon'ble Supreme Court, all the matters pending at NCLT, which does not meet requirements of the Code have been adjourned sine die. Based on the developments and legal advice received, management is confident that no material liability will devolve in respect of Company matters pending before NCLT. Further, in the month of May 2021, 62 allottees of project "Imperial Garden" (580 residential units + 103 EWS units) had approached NCLT. The petition has been filed post offer of possession. Out of 62 allottees, some allottees have already received possession and executed conveyance deeds. Moreover, lately the view of the NCLT/NCLAT is CIRP should be Project based and be confined to the subject Project only, which in present case is a completed project. We have already filed a maintainability application before NCLT to challenge the very maintainability of this application, which is pending to be heard, although based on the recent developments and legal advice received, no material liability should devolve in respect of matters pending before NCLT.
- 13) On 24 June 2020, the Company's offices in New Delhi and Gurgaon were subjected to search and seizure operations conducted by the Enforcement Directorate under Section 17 in the Prevention of Money Laundering Act, 2002. During the search, the Enforcement Directorate took custody of certain documents/records of the Company and some of its subsidiaries. While Enforcement Directorate searched the offices of the Company, we understand that investigations are against MGF Group/Mr. Shравan Gupta, the former Managing Director of the Company. Mr. Shравan Gupta is no longer associated with the management or Board of the Company. Subsequently, the Enforcement Directorate has filed an application before the Adjudicating Authority, Prevention of Money Laundering, Delhi for retention of the seized documents, which has been allowed. The show cause notice issued to the Company has also been replied. As these proceedings are directed against MGF Group and the former managing director of the Company, the Company does not consider this matter to be material.



- 14) The financial results of the Company for the previous quarter ended 30 June 2021 included in these unaudited financial results have not been subject to an audit or a review by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the unaudited financial results for the period ended 30 June 2021, provide a fair view of the Company's affairs.
- 15) The 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.
- 16) Previous period/year numbers have been regrouped/reclassified wherever considered necessary.

**For and on behalf of the Board of Directors**  
**Emaar India Limited (formerly Emaar MGF Land Limited)**

**Hadi Mohd Taher Badri**  
Director

**Akash Veerwani**  
Chief Executive Officer

**Sumil Mathur**  
Chief Financial Officer

**Place:** Gurugram  
**Date:** 10 November 2021

**Bharat Bhushan Garg**  
Company Secretary