DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company is pleased to present its 24th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

Financial Performance

The highlights of financial performance of your Company (on standalone basis) for financial year ended on March 31, 2020 are as under:

(Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Revenue from Operations	**3,296.60**	**1,207.63**
Other Income	**1,602.06**	**14,554.39**
Total Revenue	**4,898.66**	**15,762.02**
Total Operating Expenditure excluding Interest, Depreciation and Amortization	**3,435.2**	**33,657.37**
Finance Cost	**946.22**	**10,040.68**
Depreciation and Amortization expenses	**51.92**	**25.18**
Total Expense	**4,433.34**	**43,723.23**
Profit / (Loss)	**465.32**	**(27,961.21)**
Net Worth	**2,41,849.10**	**2,25,219.12**
Debt Equity Ratio	**0.70**	**0.66**
Liquidity Ratio		
(i) Current Ratio	**1.88**	**1.87**
(ii) Quick Ratio	**1.45**	**1.46**

As reported above, the total revenue during the financial year ended on March 31, 2020, stood at Rs. Rs. 3,296.60 (amount in Rupees lacs) as compared to Rs. 1,207.63 (amount in Rupees lacs) during the previous financial year. The Company earned profit of Rs. 465.32 (amount in Rupees lacs) during the financial year under review as compared to loss of Rs. 27,961.21 (amount in Rupees lacs) during the previous financial year. The net worth of the Company has been increased as compared to the previous year i.e. from Rs. 2,25,219.12 (amount in Rupees lacs) to Rs. 2,41,849.10 (amount in Rupees lacs). The Company is having very strong financial health and expected long-term sustainability.

MGF Developments Limited
CIN NO.: U74899DL1996PLC081965
4/17-B, MGF House, Asaf Ali Road, New Delhi-110002
Ph.: +91-11-42322200, 23272216/18, Fax: +91-11-23280388
Website : www.mgfindia.com

Business and Operations

The Company is principally engaged in the business of promotion, construction, development and sale of integrated townships, residential and commercial multi storied buildings, houses, flats, shopping malls, etc.

Material Changes Affecting Financial Position

There are no material changes and commitments, affecting the financial position of the Company which has occurred since the end of the financial year i.e. March 31, 2020.

Corporate Restructuring in the form of Scheme of Demerger

The Scheme of Arrangement (Demerger) under Section 391-394 of the Companies Act, 1956 was approved by the Equity Shareholders, Secured Creditors (including secured debenture holders) and Un-secured Creditors (including un-secured debenture holders) of Emaar MGF Land Limited ("Demerged Company") and MGF Developments Limited ("Resulting Company") and that the said demerger was passed by the Hon'ble National Company Law Tribunal (NCLT) vide its order dated July 16, 2018. Such Demerger will result in transfer of an undertaking, being part of the construction and development business of Emaar MGF Land Limited ("Demerged Company") to MGF Developments Limited ("Resulting Company"), as provided in the Demerger Scheme approved by NCLT. The Demerger would lend greater focus on the operation of the Company's businesses/ projects and enable further growth and expansion of each business/project. The reorganization of these businesses/ projects will also enable focused leadership that is required by these businesses/ projects which in turn will allow the businesses to undertake future expansion strategies for overall benefits.

However, on June 3, 2019, the Resulting Company had filed an application for enforcement of the Demerger Scheme before the NCLT under Section 231 of the Companies Act, 2013. Implementation of Demerger Scheme was not limited to guarantee(s) and documents/ agreement to transfer the assets. Such application, inter-alia seeks directions of NCLT to ask the Demerged Company to execute/perform various steps for implementation of Scheme. Further on November 19, 2019, NCLT passed an order for appointment of Hon'ble Justice D.K. Jain (Rtd.) for such implementation of scheme. Thereafter, on January 27, 2020, the Demerged Company categorically stated its unwillingness to continue and abandon the proceedings before Hon'ble Justice D.K. Jain (Rtd.) and therefore, the Resulting Company filed a fresh application for execution of the Demerger Scheme before the NCLT on February 01, 2020.

The matter will be further listed on December 17, 2020 and December 18, 2020 before NCLT.

Also, the Directorate of Enforcement (ED), Government of India, carried out a search and seizure operation on our Company on June 24, 2020 to June 28, 2020.

In the course of above operation, many of the computer servers, personal computers, mobiles and other electronic devices were seized by the department officials. This seizure severely hampered the operation ability of the Company at all the levels, since we were unable to access any information, emails, financial accounts, banking or legal information and also could not resume our normal operations due to the unavailability of the same.

In view of the above, the Company had extended its co-operation to the department officials at all the offices and provided all the required data, documents and information. Therefore, considering the aforesaid proceedings, any uncertain impact of the same on the financial position of the Company cannot be ascertained presently.

The Board of Directors believe that the Demerger will have beneficial results for the shareholders, creditors, customers, employees and all concerned stakeholders of the Company.

Dividend

Considering the future needs of the Company for expansion and growth and to strengthen the financial position of the Company, your directors do not recommend any dividend for the financial year ended 31st March, 2020.

Share Capital

During the year, there has been no change in the Paid-Up Share Capital of the Company and the present Paid-Up Share Capital is Rs. 59,76,50,700/- (Rupees Fifty-Nine Crore Seventy-Six Lac Fifty Thousand Seven Hundred Only), divided into 5,97,65,070 (Five Crore Ninety-Seven Lac Sixty-Five Thousand Seventy Only) equity shares of Rs. 10/- (Rupees Ten Only) each.

Further, the Authorised Share Capital of the Company stands at Rs. 162,00,00,000/- (Rupees One Hundred Sixty-Two Crores Only) and that the same has been intimated to the Registrar of Companies, NCT of Delhi and Haryana vide letter dated September 04, 2018 and reminder letter dated August 05, 2019 for updating the Master Data of the Company on Ministry of Corporate Affairs website. However, as on the date of this report, the Master Data of the Company is not updated in the record of Ministry of Corporate Affairs and the Authorised Share Capital of the Company still reflects on the website as Rs. 62,00,00,000/- (Rupees Sixty-Two Crores Only).

Subsidiaries, Joint Ventures and Associates

The Company has 26* Subsidiaries and 7* Associate Companies as on 31st March, 2020. We have, in accordance with Section 129(3) of the Companies Act, 2013 prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report.

Further, the report on the performance and financial position of each of the subsidiaries and associates and salient features of the financial statements in the prescribed Form AOC-1 is annexed to this report as **Annexure - 1**.

***Note** – These include 20 subsidiary companies and 2 associate companies of MGF Developments Limited subject to the implementation of Scheme of Demerger and that these Companies have also been listed in the aforesaid Annexure-1.

Details of Companies which became subsidiaries of the Company during the financial year 2019-20:

Sr. No.	Name of the Company
1	M/s Clean and Green Energy India Private Limited
2	M/s Valente Real Estates Private Limited

Directors / Key Managerial Personnel

During the financial year, the following changes were made in the Directorship/ Management of the Company:

1. Mr. Arun Mitter resigned from the Directorship of the Company on December 27, 2019.

2. Ms. Sheveta Verma was appointed as an Additonal Director (in the capacity of Independent Director) on January 29, 2020 and on the same date, Ms. Sweety Tripathi resigned from the Directorship of the Company.

3. Mr. Ashu Verma was appointed as an Additonal Director (in the capacity of Independent Director) on February 03, 2020 and on the same date, Ms. Pragati Sachdeva resigned from the Directorship of the Company.

However, after the financial year 2019-20, the following changes took place in the Directorship/ Management of the Company:

Ms. Sheveta Verma and Mr. Ashu Verma resigned from the directorship of the Company w.e.f. July 01, 2020 and Mr. Azhar Quadir was appointed as a Director (in the capacity of Independent Director) on September 01, 2020.

Meetings of Board / Committees

Details of the meetings of Board / Committees of the Company, held during the financial year 2019-20 are as under:

S. No.	Date of Meetings			
	Board Meetings	Audit Committee Meetings	CSR Committee Meetings	Nomination & Remuneration Committee
1	April 2, 2019	June 03, 2019	September 17,	September 05,

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			2019	2019
2	May 8, 2019	September 05, 2019	-	January 29, 2020
3	May 21, 2019	-	-	February 03, 2020
4	June 3, 2019	-	-	-
5	June 24, 2019	-	-	-
6	June 29, 2019	-	-	-
7	July 10, 2019	-	-	-
8	August 1, 2019	-	-	-
9	August 9, 2019	-	-	-
10	September 2, 2019	-	-	-
11	September 5, 2019	-	-	-
12	September 17, 2019	-	-	-
13	October 11, 2019	-	-	-
14	October 25, 2019	-	-	-
15	November 20, 2019	-	-	-
16	December 26, 2019	-	-	-
17	January 29, 2020	-	-	-
18	February 3, 2020	-	-	-
19	February 5, 2020	-	-	-
20	February 12, 2020	-	-	-
21	February 24, 2020	-	-	-
22	March 03, 2020	-	-	-
Total No. of Meetings	**22**	**2**	**1**	**3**

The attendance status of the Directors in the abovementioned Board/ Committee Meetings is as under:

Name of Directors	Number of Meetings			
	Board Meetings	Audit Committee Meetings	CSR Committee Meetings	Nomination & Remuneration Committee
Mr. Shravan Gupta	1	-	1	-
Mr. Arun Mitter	16	2	1	1
Mr. Rakshit Jain	22	-	-	2
Ms. Pragati Sachdeva	18	2	1	3
Ms. Sweety Tripathi	17	2	-	2
Ms. Sheveta Verma	5	-	-	1
Mr. Ashu Verma	4	-	-	-

Directors' Responsibility Statement

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Declaration by Independent Directors

All the Independent Directors of the Company have submitted the requisite declaration under Section 149(7) that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

Nomination & Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013, the Company has constituted a Nomination & Remuneration Committee, further, the composition of the committee has been changed as Mr. Arun Mitter, Ms. Sweety Tripathi and Ms. Pragati Sachdeva resigned from the directorship of the Company, hence, they ceased to be the members of the Committee.

During the year, the Committee had approved the following appointments:

i. Appointment of Ms. Sheveta Verma as an Additonal Director (in the capacity of Independent Director) on January 29, 2020.

ii. Appointment of Mr. Ashu Verma as an Additonal Director (in the capacity of Independent Director) on February 03, 2020.

In view of the above, the composition of the committee comprises of Mr. Rakshit Jain (Chairman), Ms. Sheveta Verma and Mr. Ashu Verma as the members of the Committee.

After closure of the financial year 2019-20, the composition of the committee has been re-constituted as Ms. Sheveta Verma and Mr. Ashu Verma resigned from the directorship of the Company w.e.f. July 01, 2020 and Mr. Azhar Quadir was appointed as an Independent Director of the Company w.e.f. September 01, 2020 and subsequently, Mr. Azhar Quadir becomes the member of the Committee.

Further, considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are essentially to be considered by the Nomination and Remuneration Committee of the Company, for appointment, as an Independent Director on the Board.

Since the Company has only 1 (One) Independent Director on the Board as on date, due to unanticipated delay and difficulty in finding an appropriate and qualified Independent Director, therefore, the Company was unable to fulfil the mandatory requirement of having 2 (Two) Independent Directors on the Board of the Company. However, the Company shall ensure due compliance of the said provisions of the Companies Act, 2013 in this regard at the earliest.

The Nomination & Remuneration Committee has also formulated and recommended to the Board, a Nomination & Remuneration Policy for determining qualifications & positive attributes to identify a person to become a Director/ Independent Director/ Key Managerial Person or who can be appointed in senior management, for remuneration of Director/ Key Managerial Person/ other employees and for the evaluation of their performance.

A copy of the Nomination & Remuneration Policy can be accessed on the Company's website at URL: https://mgfgroup.in/images/policies/MGF_N-R-Policy.pdf

Further, your Company conducts effectiveness review of the Board as part of its efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board of Directors, its Committees, and individual directors.

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013, the Company has constituted an Audit Committee, further, the composition of the committee has been changed as Mr. Arun Mitter, Ms. Sweety Tripathi and Ms. Pragati Sachdeva resigned from the directorship of the Company, hence, they ceased to be the members of the Committee.

During the year, the Committee had approved the following appointments:

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Further, considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are essentially to be considered on the Board of Audit Committee of the Company.

Since the Company has only 1 (One) Independent Director on the Board as on date, due to unanticipated delay and difficulty in finding an appropriate and qualified Independent Director, therefore, the Company was unable to fulfil the mandatory requirement of having 2 (Two) Independent Directors on the Board of the Company. However, the Company shall ensure due compliance of the said provisions of the Companies Act, 2013 in this regard at the earliest.

The roles and responsibilities of the Audit Committee are in terms of Section 177 of the Companies Act, 2013.

All the recommendations made by the Audit Committee were accepted by the Board.

Auditors

1. Statutory Auditors

The Auditor M/s. Samprk & Associates, Chartered Accountants (FRN: 013022N), were appointed as Statutory Auditor of the Company for Financial Year 2019-20 to fill the casual vacancy caused by the resignation of M/s. Raj Jha & Associates, Chartered Accountants (FRN: 027344N).

Further, the Company has proposed M/s. Samprk & Associates, Chartered Accountants (FRN: 013022N) to act as statutory auditors of the Company, for 5 years (from F.Y. 2020-21 to F.Y. 2024-25) and the proposed auditors have given their consent for the same.

In the view of above, the Board recommend the same in ensuing Annual General Meeting of the Company for approval of shareholders of the Company.

2. Cost Auditors

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Sarat Mondal & Co., Cost Accountants (Firm Registration No. 24642), as Cost Auditors of the Company for conducting Cost Audit of the Company for the financial year 2020-21.

3. Secretarial Auditor

As per Section 204 of the Companies Act, 2013 inter-alia requires to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

The Board had appointed M/s Grover Ahuja & Associates, Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit for the financial year 2019–20 and their report is annexed to this Board Report as **Annexure –2.**

The Secretarial Auditor in their Report has observed that the Company has made delay in filing of various forms with Registrar of Companies, in this regard management has considered the matter and the Company inadvertently made delay in filing the same. Further instructed concerned departments of the Company to file various forms on time in future unless there are exceptional circumstances.

Statutory Auditors' Report

There are no qualifications/ reservations/ adverse remarks or disclaimers made by the statutory auditors in their report.

Extract of the Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 as per provisions of Companies Act, 2013 and rules thereto is annexed to this report as **Annexure – 3** and the same can be accessed on the website of the Company at URL: https://mgfgroup.in/images/annual-report/Annual%20Report_2019-20.pdf

Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given under Notes to the Financial Statements.

Deposits

During the year under review, the Company has not invited or accepted any deposits under Companies Act, 2013.

Related Party Transactions

Details of disclosure of related party transactions covered under the provisions of Section 188 of the Companies Act, 2013 are given under Notes to the Financial Statements.

There have been no materially significant related party transactions between the Company and the related parties, except for those disclosed in the financial statements. Further, during the financial year 2019-20, the Company had not entered into any new contract/ arrangement with related parties, as specified under Section 188(1) of the Companies Act, 2013.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Companies Act, 2013 and pursuant to applicability of the criterions mentioned therein, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its Corporate Social Responsibility Policy (CSR Policy).

The current composition of the Committee is as under:

S. No.	Name of the Member	Designation
1	Mr. Azhar Quadir (Chairman)	Independent Director
2	Mr. Shravan Gupta	Non-Independent Non-Executive Director
3	Mr. Rakshit Jain	Non-Independent Non-Executive Director

A copy of the CSR Policy can be accessed on the Company's website at URL: https://mgfgroup.in/images/policies/MGF_CSR-Policy.pdf

It is apprised that the provisions of Section 135 of the Companies Act, 2013 is applicable on the Company in terms of Net worth of the Company during the preceding financial year, i.e. 2018-19 being Rupees Five Hundred Crore or more.

Although the aforesaid provision for CSR was applicable during the FY 2019-20, yet the Average Net Profits of the Company during the three immediately preceding financial years is negative. Therefore, there is no mandatory requirement on the part of the Company to incur any CSR expenditure for FY 2019-20. Till March 31, 2019, the Company was required to spend INR 54.52 lacs on prescribed CSR activities. During the FY 2019-20, the Company has not incurred any expenditure on CSR activities.

Annual Report on CSR is enclosed and marked as **Annexure - 4**.

Risk Management

The Company does not develop any Risk Management policy as the elements of risk threatening the Company's existence are very minimal.

Vigil Mechanism

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides adequate safeguards against victimization of employees and directors or such whistleblower who avail of the vigil mechanism and report their genuine concerns or grievances.

The Vigil Mechanism Policy is available on the Company's website at URL: https://mgfgroup.in/images/policies/MGF_Vigil%20Mechanism%20Policy%20Vesrion%20_1.1.pdf

Significant & Material Orders Passed by the Regulators/ Courts/ Tribunals

During the year under review, no significant & Material Orders were passed by the Regulators/ Courts/ Tribunals.

Investor Education & Protection Fund

During the year under review, the Company was not liable to deposit any amount to the Investor Education and Protection Fund.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

(A) Conservation of energy-

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(B) Technology absorption-

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(C) Foreign exchange earnings and Outgo-

During the financial year, the Foreign Exchange used and earned by the Company is as under:

(Amount in Rs. Lakhs)

Particulars	March 31, 2020	March 31, 2019
Foreign Exchange Earnings	742.35	2292.71
Foreign Exchange Outgo	469.16	748.27

MANAGERIAL REMUNERATION/ PARTICULARS OF THE EMPLOYEES

The Company does not have any employees falling under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and hence this provision is not applicable.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As a part of the policy for Prevention of Sexual Harassment in the organization, the Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules thereunder. No complaints were received by the Committee during the period under review.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co–operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors
M G F Developments Limited

Sd/

Rakshit Jain
Director and Chief Executive Officer
DIN: 00607288
Address: C-14, First Floor,
Green Park Extension,
New Delhi-110016

Sd/

Azhar Quadir
Director
DIN: 07287027
Address: Siddeshwar Nagar, ITI,
Sipri Bazar, Jhansi, U.P. - 284003

Date: December 04, 2020
Place: New Delhi

Annexure - 1

FORM AOC-1

S. No.	Name of the Subsidiary/ Associate Company	CIN	Section	Nature	Share Holding (No. of equity shares)	Share Holding (No. of Preference shares)	Extent of Holding (%)	Paid Up Capital	Preference share Capital	Reserves	Net Worth	Total Assets	Total Liabilites	Investments	Turnover	Profit/(Loss) before Tax	Provision For Tax	Profit/(Loss) after Tax
1	Crimson Holdings Private Limited	U70100DL2010PTC204903	2(87)	Subsidiary	30,000	-	75	4,00,000	-	(3,95,222)	4,778	22,129	17,351	-	-	21,349	17,015	4,334
2	Kayo Developers Private Limited	U45400DL2007PTC170833	2(87)	Subsidiary	9,999	-	100	1,00,000	-	4,98,507	5,98,507	35,02,24,997	34,96,26,491	-	-	7,17,700	1,86,830	5,30,870
3	Samisthi Real Estate Private Limited	U45400DL2014PTC269821	2(87)	Subsidiary	9,999	-	100	1,00,000	-	(6,47,568)	(5,47,568)	10,46,58,067	10,52,05,636	-	32,50,000	10,35,671	5,91,500	4,44,171
4	MGFD Ventures Private Limited	U74999DL2018PTC329933	2(87)	Subsidiary	9,999	-	100	1,00,000	-	(6,38,873)	(5,38,873)	8,96,30,563	9,01,69,436	-	-	(23,434)	-	(23,434)
5	Clean and Green Energy India Private Limited	U90009DL2019PTC350958	2(87)	Subsidiary	9,999	-	100	1,00,000	-	(15,928)	84,072	99,675	15,603	-	-	(15,928)	-	(15,928)
6	Valente Real Estates Private Limited	U70102DL2014PTC268972	2(87)	Subsidiary	9,999	-	100	1,00,000	-	1,49,291	2,49,291	5,93,465	3,44,174	-	-	2,13,003	55,380	1,57,623
7	Avinashi Buildtech Private Limited	U70109DL2006PTC152669	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(1,04,905)	(4,905)	6,45,72,530	6,45,77,435	-	-	(9,385)	-	(9,385)
8	Cassock Properties Private Limited	U45201DL2006PTC147702	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,79,980)	(2,79,980)	2,87,67,045	2,90,47,025	-	-	(9,296)	-	(9,296)
9	Chhavi Buildtech Private Limited	U70104DL2006PTC152850	2(87)	Subsidiary	10,000	-	100	1,00,000	-	1,10,41,323	1,11,41,323	34,19,61,952	33,08,20,629	-	-	(3,97,962)	-	(3,97,962)
10	Easter Conbuild Private Limited	U45400DL2007PTC163140	2(87)	Subsidiary	20,000	-	100	2,00,000	-	1,09,86,387	1,11,86,387	1,14,63,724	2,77,337	-	-	(35,589)	-	(35,589)
11	Ecstasy Conbuild Private Limited	U45400DL2007PTC163144	2(87)	Subsidiary	20,000	-	100	2,00,000	-	1,11,84,773	1,13,84,773	1,14,60,680	2,75,907	-	-	(35,538)	-	(35,538)
12	Ethic Conbuild Private Limited	U45400DL2007PTC163096	2(87)	Subsidiary	20,001	-	100	2,00,000	-	2,25,47,537	2,27,47,537	3,79,18,463	1,51,70,926	-	-	(41,959)	-	(41,959)
13	Gait Propbuild Private Limited	U45200DL2007PTC157825	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,04,966)	(2,04,966)	4,44,91,740	4,46,96,706	-	-	(8,383)	-	(8,383)
14	Glimpse Propbuild Private Limited	U45200DL2007PTC157927	2(87)	Subsidiary	10,000	-	100	1,00,000	-	18,07,951	19,07,951	3,33,72,299	3,14,64,348	-	-	(8,679)	-	(8,679)
15	Godson Propbuild Private Limited	U45200DL2007PTC158082	2(87)	Subsidiary	20,000	-	100	2,00,000	-	1,89,08,311	1,91,08,311	1,91,14,523	6,212	-	-	(8,073)	-	(8,073)
16	Gran Propbuild Private Limited	U45200DL2007PTC157694	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,53,739)	(2,53,739)	4,37,94,865	4,40,48,604	-	-	(9,285)	-	(9,285)
17	Grapeshot Propbuild Private Limited	U45200DL2007PTC158617	2(87)	Subsidiary	20,000	-	100	2,00,000	-	2,04,69,121	2,06,69,121	2,68,81,763	62,12,642	-	-	31,494	7,900	23,594
18	Lifeline Build Tech Private Limited	U45201DL2006PTC147624	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,47,74,557)	(3,46,74,557)	23,00,05,168	26,46,79,725	-	-	(9,593)	-	(9,593)
19	Locus Propbuild Private Limited	U45200DL2007PTC159219	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(4,66,996)	(3,66,996)	2,77,07,399	2,80,74,395	-	-	(8,376)	-	(8,376)
20	Mega City Promoters Private Limited	U45201DL2004PTC128387	2(87)	Subsidiary	65,000	-	100	6,50,000	-	(43,59,637)	(37,09,637)	26,23,96,375	26,61,06,012	-	-	(9,390)	-	(9,390)
21	MG Colonizers Private Limited	U45200DL2006PTC155706	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(1,81,125)	(81,125)	2,85,71,223	2,86,52,348	-	-	(8,982)	-	(8,982)
22	Pipalashray Estate Private Limited	U74999DL2007PTC160053	2(87)	Subsidiary	10,000	-	100	1,00,000	-	8,933	1,08,933	6,32,31,591	6,31,22,658	-	-	(9,588)	-	(9,588)
23	Prayas Buildcon Private Limited	U45201DL2006PTC147831	2(87)	Subsidiary	1,00,000	-	100	10,00,000	-	(51,59,118)	(41,59,118)	1,46,52,07,006	1,46,93,66,124	-	-	(9,390)	-	(9,390)
24	Spiritual Realtors Private Limited	U45201DL2006PTC147532	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(75,31,259)	(74,31,259)	4,06,94,330	4,81,25,589	-	-	(8,376)	-	(8,376)
25	Sukhda Promoters Private Limited	U70109DL2006PTC151924	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(6,59,348)	(5,59,348)	5,96,33,291	6,01,92,638	-	-	(9,794)	-	(9,794)
26	Tushar Projects Private Limited	U70101DL2006PTC148782	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(9,98,234)	(8,98,234)	5,49,38,321	5,58,36,555	-	-	(9,810)	-	(9,810)
27	Emaar MGF Construction Private Limited	U70109DL2006PTC154556	2(6)	Associate	21,88,102	-	39.89	54,853	-	2,44,821	2,99,674	28,23,451	25,23,777	-	23,513	66,250	-	66,250
28	Acreage Builders Private Limited	U70101HR2010PTC047012	2(6)	Associate	1,64,380	-	30.91	54,48,340	-	2,07,90,29,579	2,08,44,77,919	2,39,46,93,840	31,02,15,921	2,29,16,47,368	-	(1,89,53,220)	-	(1,89,53,220)
29	Discovery Holdings Private Limited	U67110DL1998PTC093629	2(6)	Associate	49,850	-	50	10,00,000	-	6,69,30,495	6,79,30,495	10,43,39,123	3,64,08,628	-	26,01,115	15,89,323	3,92,758	11,96,565
30	VMR Promoters Private Limited	U70109DL2006PTC152110	2(6)	Associate	25,00,000	-	50	5,00,00,000	-	(59,50,199)	4,40,49,801	7,52,41,765	3,11,91,964	-	-	(2,14,496)	-	(2,14,496)
31	SSP Aviation Limited	U45201DL2003PLC118351	2(6)	Associate	5,20,300	-	26.02	2,00,00,000	-	(46,12,95,077)	(44,12,95,077)	42,48,74,875	86,61,69,952	9,96,08,450	-	(70,355)	-	(70,355)
32	MGF Promotions & Events Private Limited	U74999DL2011PTC221030	2(6)	Associate	50,000	-	50	10,00,000	-	2,09,84,172	2,19,84,172	2,43,63,682	23,79,510	-	28,80,390	(1,55,183)	(40,290)	(1,14,893)
33	MGF Estates Management Private Limited	U74140DL2011PTC221910	2(6)	Associate	50,000	-	50	10,00,000	-	(1,64,65,134)	(1,54,65,134)	10,54,84,839	12,09,49,973	-	21,77,60,860	1,90,49,057	53,19,512	1,37,29,545

GROVER AHUJA & ASSOCIATES
Company Secretaries

ANNEXURE TO THE DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANICAL YEAR ENDED 31st MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
M/s. M G F Developments Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M G F Developments Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2020** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;

(iii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were **not applicable** to the Company during the financial year under report:-

(iv) The management has identified and confirmed the following laws as applicable to company;

(a) The Environment (Protection) Act, 1986 and other Environment laws;
(b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
(c) Income Tax Act, 1961 and Other Applicable Tax Laws;
(d) Industrial Dispute Act, 1947;
(e) Minimum Wages Act, 1948;
(f) Contract Labour Act, 1970;
(g) Payment of Bonus Act, 1965;
(h) Employee's State Insurance Act, 1948;
(i) Payment of Wages Act, 1936 and other applicable Labour & Industrial Laws.

We have also examined compliance with the Secretarial Standards (SS-1 and SS-2 with regard to Meeting of Board and Meeting of Members respectively) issued by The Institute of Company Secretaries of India.

GROVER AHUJA & ASSOCIATES NEW DELHI COMPANY SECRETARIES

Apy

302, Third Floor, Gagandeep Building, Rajendra Place, New Delhi – 110008
Tel: +91 11 49091217/49125317
Email: groverahuja@hotmail.com

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations;

(1) M/s Raj Jha & Associates was appointed as Statutory Auditors of the Company as on 4th June, 2019 for F.Y. 2018-19 to fill the Casual vacancy casued, for which the Company has delayed filed E-form ADT-1 as on 18th October, 2019. Further M/s Raj Jha & Associates was reappointed in the Annual General Meeting held on 30th September, 2019 for a period of 3 Years from 1st April, 2019 to 31st March, 2022 for which the Company has delayed filed E-form ADT-1 as on 21st October, 2019.

(2) The Company has delayed filed E-form AOC-4 XBRL for F.Y. 2018-19 with ROC dated 13th May, 2020, but under the CFSS Scheme notified by MCA.

(3) The Company has delayed filed E-form MGT-7 for F.Y. 2018-19 with ROC dated 20th May, 2020, but under the CFSS Scheme notified by MCA.

(4) The Company has delayed filed E-form MGT-14 pursuant to Section 179(3) with ROC dated 11th September, 2019.

(5) The Company has delayed filed E-form MGT-14 pursuant to Section 186(3) with ROC dated 2nd July, 2019.

(6) The Company has delayed filed E-form DIR-12, in which Ms. Shilpa Gupta was resigned w.e.f. 01st April, 2019, with ROC dated 31st October, 2019.

(7) On 15th April, 2019 the Company has received declaration from Ms. Shilpa Gupta and Ms. Shradha Gupta as a beneficial owner of the Company but not filed E-form BEN-2 (Return to the Registrar in respect of declaration under Section 90) with the ROC till the date of signing this report.

(8) The Company has not filed E-form DPT-3 for Return of deposit (One Time Return and Annually Return) with ROC till the date of signing this report.

(9) The Company has filed E-form CRA-4 (Filing of cost Audit Report with Central Govt.) for FY 2018-19 with ROC dated 22nd May, 2020 under the CFSS Scheme notified by MCA.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive, , However Mr. Ashu Verma and Ms. Sheveta Verma, was independent Director of the Company resigned on the date of July1st, 2020 and Mr. Azhar Quadir was appointed as independent director as on the date of 1st September, 2020. Therefor the requirement of Section 149(6) and Rule 4 of The Companies (Appointment and Qualifications of Director) Rules, 2014 of the Act, was not fulfilled till the date of signing this report, The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

GROVER AHUJA & ASSOCIATES ★ NEW DELHI ★ COMPANY SECRETARIES

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Grover Ahuja & Associates**
Company Secretaries

GROVER AHUJA & ASSOCIATES ★ NEW DELHI ★ COMPANY SECRETARIES

Ajay Sharma

Ajay Sharma
ACS No.: 44649
C.P No.: 16642

Place: New Delhi
Date: 18/09/2020
UDIN : A044649B000734393

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

Annexure A

To
The Members
M/s. M G F Developments Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

For **Grover Ahuja & Associates**
Company Secretaries

GROVER AHUJA & ASSOCIATES ★ NEW DELHI ★ COMPANY SECRETARIES

Ajay Sharma

Ajay Sharma
ACS No.: 44649
C.P No.: 16642

Place: New Delhi
Date: 18|09|2020

Annexure - 3

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74899DL1996PLC081965
ii	Registration Date	16-Sep-96
iii	Name of the Company	M G F Developments Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	4/17-B, MGF House, Asaf Ali Road, New Delhi 110002
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited Plot No 31 & 32, Selenuim Building, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, Telangana +91 040 – 67162222

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction	995312	51.00
2	Rental or leasing services involving own or leased non-residential property	9972112	46.00

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No.	NAME OF THE COMPANY	ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Discovery Estates Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi 110002	U51103DL2001PTC111937	Holding	73.41	Section 2(46) of Companies Act, 2013
2	Kayo Developers Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi 110002	U45400DL2007PTC170833	Subsidiary	100	Section 2(87) of Companies Act, 2013
3	Samishti Real Estate Private Limited	4/17-B, Asaf Ali Road, New Delhi 110002	U45400DL2014PTC269821	Subsidiary	100	Section 2(87) of Companies Act, 2013
4	Crimson Holdings Private Limited	17-B, MGF House, Asaf Ali Road, New Delhi 110002	U70100DL2010PTC204903	Subsidiary	75	Section 2(87) of Companies Act, 2013
5	MGFD Ventures Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi - 110002	U74999DL2018PTC329933	Subsidiary	100	Section 2(87) of Companies Act, 2013
6	Clean and Green Energy India Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi - 110002	U90009DL2019PTC350958	Subsidiary	100	Section 2(87) of Companies Act, 2013
7	Valente Real Estate Private Limited	O-49 Pvt. Flat No.-8, Upper Gf (Front Side), O-Etn. Geeta Enclave, Vani Vihar, Uttam Nagar, New Delhi 110059	U70102DL2014PTC268972	Subsidiary	100	Section 2(87) of Companies Act, 2013
8	Tushar Projects Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U70101DL2006PTC148782	Subsidiary	100	Section 2(87) of Companies Act, 2013
9	Cassock Properties Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45201DL2006PTC147702	Subsidiary	100	Section 2(87) of Companies Act, 2013
10	MG Colonizers Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2006PTC155706	Subsidiary	100	Section 2(87) of Companies Act, 2013
11	Ecstasy Conbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45400DL2007PTC163144	Subsidiary	100	Section 2(87) of Companies Act, 2013
12	Gran Propbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2007PTC157694	Subsidiary	100	Section 2(87) of Companies Act, 2013
13	Chhavi Buildtech Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U70104DL2006PTC152850	Subsidiary	100	Section 2(87) of Companies Act, 2013
14	Pipalashray Estate Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U74999DL2007PTC160053	Subsidiary	100	Section 2(87) of Companies Act, 2013
15	Lifeline Build Tech Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45201DL2006PTC147624	Subsidiary	100	Section 2(87) of Companies Act, 2013
16	Easter Conbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45400DL2007PTC163140	Subsidiary	100	Section 2(87) of Companies Act, 2013
17	Gait Propbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2007PTC157825	Subsidiary	100	Section 2(87) of Companies Act, 2013
18	Avinashi Buildtech Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U70109DL2006PTC152669	Subsidiary	100	Section 2(87) of Companies Act, 2013
19	Godson Propbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2007PTC158082	Subsidiary	100	Section 2(87) of Companies Act, 2013
20	Locus Propbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2007PTC159219	Subsidiary	100	Section 2(87) of Companies Act, 2013
21	Spiritual Realtors Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45201DL2006PTC147532	Subsidiary	100	Section 2(87) of Companies Act, 2013
22	Glimpse Propbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2007PTC157927	Subsidiary	100	Section 2(87) of Companies Act, 2013

23	Ethic Conbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45400DL2007PTC163096	Subsidiary	100	Section 2(87) of Companies Act, 2013
24	Sukhda Promoters Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U70109DL2006PTC151924	Subsidiary	100	Section 2(87) of Companies Act, 2013
25	Grapeshot Propbuild Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45200DL2007PTC158617	Subsidiary	100	Section 2(87) of Companies Act, 2013
26	Mega City Promoters Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45201DL2004PTC128387	Subsidiary	100	Section 2(87) of Companies Act, 2013
27	Prayas Buildcon Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U45201DL2006PTC147831	Subsidiary	100	Section 2(87) of Companies Act, 2013
28	Discovery Holdings Private Limited	MGF House, 17-B, Asaf Ali Road, New Delhi 110002	U67110DL1998PTC093629	Associate	49.85	Section 2(6) of Companies Act, 2013
29	VMR Promoters Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi 110002	U70109DL2006PTC152110	Associate	50	Section 2(6) of Companies Act, 2013
30	SSP Aviation Limited	MGF House, 17-B, Asaf Ali Road, New Delhi 110002	U45201DL2003PLC118351	Associate	26.02	Section 2(6) of Companies Act, 2013
31	MGF Promotions And Events Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi 110002	U74999DL2011PTC221030	Associate	50	Section 2(6) of Companies Act, 2013
32	MGF Estates Management Private Limited	4/17-B, MGF House, Asaf Ali Road, New Delhi 110002	U74140DL2011PTC221910	Associate	50	Section 2(6) of Companies Act, 2013
33	Emaar MGF Construction Private Limited	306-308, Square One, C-2, District Centre, Saket New Delhi 110017	U70109DL2006PTC154556	Associate	39.89	Section 2(6) of Companies Act, 2013
34	Acreage Builders Private Limited	10th Floor, Tower-B Unitech Cyber Park, Sector-39, Gurgaon, Haryana- 122001	U70101HR2010PTC047012	Associate	30.91	Section 2(6) of Companies Act, 2013

IV **SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
(1) Indian	-	40,74,047	40,74,047	6.81	-	40,74,047	40,74,047	6.81	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	5,38,46,273	5,38,46,273	90.10	-	5,38,46,273	5,38,46,273	90.10	-
d) Bank/FI	-		-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)		**5,79,20,320**	**5,79,20,320**	**96.91**		**5,79,20,320**	**5,79,20,320**	**96.91**	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other…	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	**5,79,20,320**	**5,79,20,320**	**96.91**	-	**5,79,20,320**	**5,79,20,320**	**96.91**	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	18,44,750	18,44,750	3.09	-	18,44,750	18,44,750	3.09	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	18,44,750	18,44,750	3.09	-	18,44,750	18,44,750	3.09	-
	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	**5,97,65,070**	**5,97,65,070**	**100**	-	**5,97,65,070**	**5,97,65,070**	**100**	-

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the begginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Mrs. Shilpa Gupta	40,54,047	6.78	-	40,54,047	6.78	-	-
3	Discovery Estates Private Limited	2,39,53,191	40.08	-	2,39,53,191	40.08	-	-
4	Vishnu Apartments Pvt Ltd	1,99,21,690	33.33	-	1,99,21,690	33.33	-	-
5	SSP Aviation Ltd	99,60,845	16.67	-	99,60,845	16.67	-	-
6	MGF Projects Private Limited	10,547	0.017	-	10,547	0.017	-	-
7	Ms. Shradha Gupta	20,000	0.033		20,000	0.033		
		5,79,20,320	**96.91**	-	**5,79,20,320**	**96.91**	-	-

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	**NO CHANGE**			
	At the end of the year				

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Fairbridge Holdings Ltd	18,44,750	3.09	18,44,750	3.09

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1					
	At the beginning of the year	-		-	
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-			
	At the end of the year	-		-	

***None of the Directors has held shares of the Company.**

V **INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtness at the beginning of the financial year				
i) Principal Amount	41,49,25,000	1,23,65,28,000	-	**1,65,14,53,000**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**41,49,25,000**	**1,23,65,28,000**	**-**	**1,65,14,53,000**
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	1,32,68,000	95,45,000	-	**2,28,13,000**
Net Change	1,32,68,000	95,45,000	-	**2,28,13,000**
Indebtedness at the end of the financial year				
i) Principal Amount	40,16,57,000	1,22,69,83,000	-	**1,62,86,40,000**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**40,16,57,579**	**1,22,69,83,195**	**-**	**1,62,86,40,774**

VI **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. **Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration		Name of the MD/WTD/Manager			Total Amount	
1	**Gross salary**						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2	#Stock option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as% of profit - others, specify	-	-	-	-	-	-
5	Others, please specify (EPF Contribution)	-	-	-	-	-	-
	Total (A)	-	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-	

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non Executive Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Cieling as per the Act.	-	-	-	-

C. **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration		Key Managerial Personnel				
1	**Gross Salary**		**CEO (Rakshit Jain)**	**CFO (Vijay Kumar Sharma)**	**Company Secretary (Nupur Jain)**	**Total**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	69,72,564	12,07,800	6,21,000	88,01,364	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as% of profit	-	-	-	-	-	-
	- others, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total	-	69,72,564	12,07,800	6,21,000	88,01,364	-

VII **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:-**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	_	_	_	_	_
Punishment	_	_	_	_	_
Compounding	_	_	_	_	_
B. DIRECTORS					
Penalty	_	_	_	_	_
Punishment	_	_	_	_	_
Compounding	_	_	_	_	_
C. OTHER OFFICERS IN DEFAULT					
Penalty	_	_	_	_	_
Punishment	_	_	_	_	_
Compounding	_	_	_	_	_

Annexure-4

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

I. Brief outline of Corporate Social Responsibility Policy of the Company

M G F Developments Limited ("MGF" or "the Company") has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the applicable provisions of Companies Act, 2013 and allied rules (hereinafter referred as "the Act"). This Policy is a guideline for Company's CSR activities intended to support local communities on a variety of socially desirable activities with a view to enable high impact of and ensure measurable outcomes of the funds deployed towards such activities.

Scope of the CSR Policy

The Company's CSR Policy focuses on implementing Company's CSR efforts to provide education and dignity to the lives of those children who are unable to afford it themselves. The Company may also undertake and support projects/ programmes in the other areas as may be approved by its CSR Committee and are permissible activities as per the relevant provisions of the Act.

The Policy is available on the website of the Company at www.mgfindia.com

II. Composition of CSR Committee

M G F Developments Limited has constituted a CSR committee consisting of following three Directors from the Board of Directors to oversee the implementation of the CSR policy of the Company in accordance with the requirements of Section 135 of the Companies Act. The Committee, which will report to the Board of Directors of the Company.

Members of the Committee:

1) Mr. Azhar Quadir (Chairman)
2) Mr. Shravan Gupta (Director)
3) Mr. Rakshit Jain (Director & CEO)

III. The Committee was apprised that pursuant to the provisions of Section 135 of the Companies Act, 2013, read with rules made thereunder, the Committee recommends to the Board an amount (not less than 2% of the Average Net Profit of Last Three Years) to be incurred by the Company on the Corporate Social Responsibility (CSR) activities as mentioned in the CSR Policy of the Company.

Further, the Committee recommended to the Board to incur the following expenditure on CSR activities of the Company:

Annexure-4

CSR calculation for the financial year ended on 31st March, 2020	
Average Net Profit (Before Tax) of Last Three Years calculated according to Section 198 of Companies Act	
	Amount (in Rs.)
FY 2016-17	4,34,60,465
FY 2017-18	16,50,56,000
FY 2018-19	(2,79,61,21,000)
	(2,58,76,04,535)
Average Net Profit (Before Tax) of Last Three Years	**-86,25,34,845**
2% average Net Profit (Before Tax) of Last Three Years	**-1,72,50,697**

It is apprised that the provisions of Section 135 of the Companies Act, 2013 is applicable on the Company in terms of Net worth of the Company during the preceding financial year, i.e., 2018-19 being Rupees Five Hundred Crore or more.

Although the aforesaid provision for CSR was applicable during the FY 2019-20, yet the Average Net Profits of the Company during the three immediately preceding financial years is negative. Therefore, there is no mandatory requirement on the part of the Company to incur any CSR expenditure for FY 2019-20.

IV. The prescribed CSR Expenditure (as in Item III above) is Rs. **Nil**.

During F.Y. 2019-20:

1.	2.	3.	4.	5.	6.	7.	8.
S. No.	**CSR Project or Activity identified**	**Sector in which the Project is covered**	**Projects or programmes (1) Local Area or other (2) Specify the state or district where projects or programmes were undertaken**	**Amount outlay (Budget) projects or programmes wise (Rs.)**	**Amount spent on the projects or programmes 1. Direct expenditure on programmes or projects (Rs.) 2. Overheads (Rs.)**	**Cumulative expenditure up to the reporting period (Rs.)**	**Amount spent : Directly or Through Implementing Agency**
NIL							

V. Details of CSR spent during the financial year 2019-20:

a) Total amount spent in the financial year 2019-20: **Rs. NIL/-.**
b) Amount unspent**: N.A.**
c) Manner in which Amount spent during the Financial Year is detailed below:
As explained above.

VI. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: **N.A.**

VII. We hereby confirm on behalf of CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For MGF Developments Limited	**For CSR Committee of MGF Developments Limited**
Sd/	Sd/
Nupur Jain	**Azhar Quadir**
(Company Secretary)	**(Chairman of CSR Committee)**

Place: New Delhi
Date: December 04, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of MGF Developments Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of MGF Developments Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, the cash flow statement for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss and total comprehensive income, changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

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safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the accompanying standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

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e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S A M P R K & Associates
Chartered Accountants
Firm Registration No.: 013022N

SAMPRK & ASSOCIATES ★ M. No. 088271 DELHI ★ CHARTERED ACCOUNTANTS

CA Keshav Kumar
Partner
Membership No. 088271
UDIN : 21088271AAAABS4434

Place: New Delhi
Date: December 04, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of MGF Developments Limited on the financial statements for the year ended March 31, 2020]

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold immovable properties as property, plant & equipment. Accordingly, paragraph 3 (i)(c) of the Order is not applicable to the Company

(ii) The Company does not hold inventories of stores, spare parts and raw materials. Inventory comprises of only completed projects and projects in progress. According to the information and explanations given to us, and also keeping in view the nature of the operations of the Company, inventory of completed projects and projects in progress cannot be physically verified.

(iii)

(a) As informed, the Company has granted interest free unsecured loans to various parties covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.

(c) In respect of the aforesaid loans, as the schedule of repayment of principal has not been stipulated, we are unable to comment whether there is any overdue amount of loans granted to company and other parties listed in the register maintained under section 189 of the Act.

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(iv) According to the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows-

Nature of dues	Amount (₹)
Income Tax	25,966,322

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(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount	Period to which the amount relates
Income Tax Act, 1961	Income Tax	26,14,868	A.Y. 2004-05
Income Tax Act, 1961	Income Tax	55,91,976	A.Y. 2009-10
Income Tax Act, 1961	Income Tax	2,70,482	A.Y. 2010-11
Income Tax Act, 1961	Income Tax	25,966,322	A.Y. 2011-12
Income Tax Act, 1961	Income Tax	3,836	A.Y. 2013-14
Income Tax Act, 1961	Income Tax	95,970	A.Y. 2014-15

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution(s), bank(s), government(s) or dues to debenture holder(s).

(ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised. Further, the Company has not raised any money by way of initial public issue offer.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Section 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

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(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For S A M P R K & Associates
Chartered Accountants
ICAI Firm Registration No. 013022N

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M. No. 088271
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CHARTERED ACCOUNTANTS

CA Keshav Kumar
~~**Proprietor**~~ Partner
Membership No. 088271
UDIN : 21088271AAAABS4434

Place: New Delhi

Date: December 04, 2020

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MGF DEVELOPMENTS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MGF Developments Limited ("the Company") as on March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

SAMPRK & ASSOCIATES M. No. 088271 DELHI CHARTERED ACCOUNTANTS

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

The Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and project manager of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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SAMPRK & ASSOCIATES

Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S A M P R K & Associates
Chartered Accountants
ICAI Registration No.- 013022N

SAMPRK & ASSOCIATES M. No. 088271 DELHI CHARTERED ACCOUNTANTS

CA Keshav Kumar
~~**Proprietor**~~ Partner
Membership No. 088271
UDIN : 21088271AAAABS4434

Place: New Delhi
Date: December 04, 2020

102-103/106/302 Neelkanth House S-524 School Block Shakarpur Delhi - 110092
Mob No. :- 9891745705, Email:- Keshavfca@gmail.com

MGF DEVELOPMENTS LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in Rupees lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current Assets			
Property, plant & equipment	3	48,842.02	48,678.59
Capital work-in-progress		9,766.02	9,766.02
Other intangible assets	4	9.43	5.53
Investment in subsidiary	5	1,122.01	1,120.01
Financial assets			
Investment	6	15,890.36	15,494.34
Other financial assets	7	483.27	178.55
Deferred tax assets (net)	8	20,330.37	4,165.71
Other non current assets	9	2,440.99	2,445.38
Non-current (tax) assets	10	1,557.79	1,387.83
		1,00,442.26	83,241.96
Current Assets			
Inventories	11	71,089.62	69,680.76
Financial assets			
Investment	12	40.55	3,396.93
Trade receivables	13	880.18	671.68
Cash and cash equivalents	14	257.11	2,142.94
Bank balances other than Cash and Cash equivalents	15	251.66	836.66
Other financial assets	16	2,29,982.71	2,28,543.01
Other current assets	17	8,539.63	8,416.10
		3,11,041.46	3,13,688.08
Total Assets		4,11,483.72	3,96,930.04
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	5,976.51	5,976.51
Shares pending allotment		1,973.48	1,973.48
Other equity	19	2,33,899.11	2,17,269.13
		2,41,849.10	2,25,219.12
Non- Current Liabilites			
Financial liabilities			
Borrowings	20	4,016.57	4,149.25
Provisions	21	69.93	52.71
		4,086.50	4,201.96
Current Liabilities			
Financial liabilities			
Borrowings	22	12,269.83	12,365.28
Trade payables	23	9,048.22	8,966.60
Other financial liabilities	24	1,34,950.15	1,32,358.16
Other current liabilities	25	8,024.30	12,244.72
Provisions	26	9.82	9.17
Current tax liabilities (net)	27	1,245.80	1,565.03
		1,65,548.12	1,67,508.96
Total Equity & Liabilities		4,11,483.72	3,96,930.04

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S A M P R K & ASSOCIATES
Chartered Accountants
Firm Registration No : 013022N

For and on behalf of Board of Directors of
MGF Developments Limited

CA Keshav Kumar
(Partner)
Membership Number: 088271
UDIN : 21088271AAAABS4434

Rakshit Jain
Director & CEO
DIN : 00607288

Azhar Quadir
(Director)
DIN - 07287027

SAMPRK & ASSOCIATES
M. No. 088271
DELHI
CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD.
New Delhi

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place : New Delhi
Date : December 4, 2020

Place : New Delhi
Date : December 4, 2020

MGF DEVELOPMENTS LIMITED
Statement of Profit and Loss for the year ended March 31, 2020

(Amount in Rupees lacs)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	28	3,296.60	1,207.63
Other Income	29	1,602.06	14,554.39
Total income		4,898.66	15,762.02
Expenses			
Cost of Materials Consumed	30	-844.35	-51.71
Purchase of Stock-in-Trade	31	0.00	32.75
Changes in inventories of finished goods, work-in	32	0.00	-167.09
Employee benefit expense	33	638.91	535.73
Financial costs	34	946.22	10,040.68
Depreciation and amortization expense	35	51.92	25.18
Other expenses	36	3,640.64	33,307.69
Total expenses		4,433.34	43,723.23
(Loss)/ Profit before tax		465.32	-27,961.21
Tax expense:			
(1) Current tax		0.59	-
(2) Mat credit entitlement		-	-
(3) Deferred tax liability/(Assets)		-16,164.81	-2,060.27
(4) Earlier year tax adjustments		-	-12.12
(Loss)/ Profit for the year		16,629.54	-25,888.82
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post employment benefit obligations		0.59	-3.34
- Income tax related to above item		-0.15	0.87
Other comprehensive income for the year (net of income tax)		0.44	-2.47
Total comprehensive income for the year		16,629.98	-25,891.29
Earnings per equity share (in `)	37		
face value per share ` 10 each (Previous year ` 10 each)			
-Basic earning per share		0.00	0.00
-Diluted earning per share		0.00	0.00

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S A M P R K & ASSOCIATES
Chartered Accountants
Firm Registration No : 013022N

For and on behalf of Board of Directors of
MGF Developments Limited

CA Keshav Kumar
(Partner)
Membership Number: 088271
UDIN : 21088271AAAABS4434

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 088271 DELHI

Place : New Delhi
Date : December 4, 2020

Rakshit Jain
Director & CEO
DIN : 00607288

Azhar Quadir
(Director)
DIN - 07287027

MGF DEVELOPMENTS LTD. New Delhi

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place : New Delhi
Date : December 4, 2020

MGF DEVELOPMENTS LIMITED
Cash Flow Statement for the year ended March 31, 2020

(Amount in Rupees lacs)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Net loss before tax from continuing business	465.32	-27,961.21
Net profit before tax from discontinued business	0.59	-3.34
Adjustments for:		
Depreciation and amortization from continuing operations	51.92	25.18
(Reversal of provision)/Provision for doubtful receivables	-106.13	670.98
Profit on restatement of mutual fund	-0.61	0.00
Interets income on debentures	-4.54	0.00
(Profit)/Loss on Sale of Fixed Assets	-0.58	1.02
Interest Charges on Term Loans	430.45	440.84
Loan processing fees	38.50	95.74
Interest Charges on ICD	64.86	64.85
Interest Income	-105.85	-63.55
Profit on Sale of Investments	-745.93	-1,420.48
Dividend Income	-2.12	-1.68
	-380.03	-187.10
Operating profit before working capital changes	85.88	-28,151.65
Movement in assets and liabilities, net		
Adjustments for (increase)/decrease in operating assets:		
Non-Current other financial assets	-6.35	3.24
Other non current assets	4.39	-2,306.19
Inventories	-1,408.86	-57,517.06
Trade receivables	-102.37	-712.38
Other current financial assets	-1,833.64	-1,81,850.61
Other current assets	-123.53	-3,072.45
Adjustments for increase/(decrease) in operating liabilities:		
Non-current provisions	17.22	15.85
Trade payables	81.62	7,473.14
Other current financial liabilities	2,533.57	1,16,639.33
Other current liabilities	-4,220.42	2,857.96
Current provisions	0.65	2.66
	-5,057.72	-1,18,466.51
Cash generated from/(used in) operating activities	-4,971.84	-1,46,618.16
Less: taxes paid, (net of refund and interest thereon)	-489.79	-134.00
Net cash generated from operating activities	-5,461.63	-1,46,752.16
Cash flow from investing activities		
Investment in subsidiary	-2.00	-3,521.48
Investment in others	349.91	-7,330.26
Investment in mutual funds	3,356.99	-987.52
Investment in fixed deposits	291.63	-722.24
Capital expenditure on capital work in progress	0.00	-9,766.02
Capital expenditure on property, plant and equipment	-219.86	-48,605.96
Proceeds from sale of property, plant and equipment	1.20	0.10
Loans given to related parties (net of realisation)	407.67	-6,421.17
Loans given to others (net of realisation)	-21.91	73.91
Dividend income	2.12	1.68
Interest received	113.57	45.45
Net cash (used in) investing activities	4,279.32	-77,233.51

Continued to next page

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ M. No. 088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

Continued form previous page

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from financing activities		
Shares pending allotment	0.00	1,973.48
Profit on account of demerger	0.00	2,17,601.88
Increase in deemed capital contribution	0.00	6.71
Repayment of long-term borrowings (including	-74.26	605.16
Movement in current borrowings	-95.45	5,076.94
Loan processing fees	-38.50	-98.21
Finance cost	-495.31	-520.08
Net cash generated/(used in) from financing activities	**-703.52**	**2,24,645.88**
Net increase/(decrease) in cash and cash equivalents	**-1,885.83**	**660.21**
Cash and cash equivalents		
-Beginning of the year	2,142.94	1,482.73
-End of the year (A)	**257.11**	**2,142.94**
Deposits with original maturity of more than three		
Cash and bank balances as per Balance Sheet (A+B)	**257.11**	**2,142.94**

Summary of significant accounting policies (refer note 2)

i. The notes referred above form an integral part of the financial statements.
ii. The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.

As per our report of even date
For S A M P R K & ASSOCIATES
Chartered Accountants
Firm Registration No : 013022N

CA Keshav Kumar
(Partner)
Membership Number: 088271
UDIN : 21088271AAAABS4434

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 088271 DELHI

Place : New Delhi
Date : December 4, 2020

For and on behalf of Board of Directors of
MGF Developments Limited

Rakshit Jain

Rakshit Jain
Director & CEO
DIN : 00607288

Azhar Quadir
(Director)
DIN - 07287027

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

MGF DEVELOPMENTS LTD. New Delhi

Place : New Delhi
Date : December 4, 2020

1. Reporting Entity

MGF Developments Limited ("the Company") was incorporated on September 16, 1996 under the Companies Act, 1956. The Company is principally engaged in the business of promotion, construction, development and sale of integrated townships, residential and commercial multi-storied buildings, houses, flats, shopping malls, hotels, IT parks, etc.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year April 01, 2019 to March 31, 2020.

2A. Application of new and revised Indian Accounting Standards

Ind AS 116 'Leases'
On March 30, 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 12, Income taxes
On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes - "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is April 1, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 19, Employee benefits
On March 30, 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ M. No. 088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

Amendment to Ind AS 109, Financial instruments

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 23, Borrowing costs

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

2B. Basis of preparation.

(i) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These financial statements were authorised for issue by the Company's Board of Directors on December 04, 2020.

The accounting policies have been consistently applied by the Company for the financial years presented in the financial statements and are consistent with those used in the previous year.

(ii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

(iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.

SAMPRK & ASSOCIATES M. No. 088271 DELHI CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. New Delhi

(iv) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(v) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2020.

(vi) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

SAMPRK & ASSOCIATES ★ M. No. 088271 DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. New Delhi ★

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2C. Significant accounting policies

(i) Revenue recognition

Revenue is recognised when it is probability that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to the each nature of the revenue transaction set out below.

Revenue from real estate projects
Revenue from real estate projects under development is computed on the percentage of completion method. Revenue is recognised in the financial year in which the agreement to sell or application forms (containing sale in terms of agreement to sell) is executed, on the percentage of completion method which is applied on a cumulative basis in each accounting year to the current estimate of contract revenue and related project cost, once the condition is specified in 'Guidance note on accounting for Real Estate Transactions' are satisfied.

The estimates of the saleable area and cost are reviewed periodically and effect of any changes in such estimates is recognised in the period changes are determined however when the total project cost is estimated to exceed total revenue from the project the loss is recognised immediately.

Revenue from sale of land
Gain/loss from sale of undeveloped unsuitable land is recognised in the financial year in which transfer is made by registration of sale deeds or otherwise in favour of the buyers.

Revenue from collaboration agreement
Revenue from collaboration agreements is recognised as and when services are rendered in accordance with the terms of agreements entered with the collaborators, based on the percentage share of gross revenue of collaborators.

Revenue from Joint Development Agreement (JDA) executed with landowners:
JDAs enter into with landowners for the exchange of land against consideration in the form of property of development rights are treated as exchange of dissimilar goods and are accounted for at fair value. The revenue is arising out of the same is measured at the fair value of goods received. When the fair value of goods received cannot be measured reliably, the revenue is measured at the fair value of the goods given up.

SAMPRK & ASSOCIATES
M. No. 098271
DELHI
CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD.
New Delhi

Income from compulsory acquisition of land
Income in respect of compulsory acquisition (both original and enhanced compensation) of land by the Government is recognised upon receipt of compensation order from the Government or court at an amount equivalent to gross amount received/receivable, net of cost of the land acquired by the Government.

Interest due on delayed payments and forfeiture income on cancelled units
Revenue is recognised as and when due to the extent certainly of payment realization is established in relation to such income.

Revenue from hospitality and leisure activities
Revenue is recognised as and when services are completely rendered and right to receive money has been established.

Other interest income
For all debt instruments measured at amortised cost interest income is recorded using the effective interest rate (EIR).

Dividend income
revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Unbilled receivable
Unbilled receivables represent revenue recognised based on percentage of completion method as per policy on revenue over and above the amount due as per the payment plans agreed with the customers.

(ii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

SAMPRK & ASSOCIATES M. No 088271 DELHI CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. New Delhi

Subsequent expenditure

Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using straight line method and is recognised in the statement of profit and loss.

Depreciation has been calculated on straight line method at the useful lives, which are equal to useful lives specified as per schedule II to the Act.

The useful lives of the assets are as under:

Particulars	**Useful lives (in years)**
Tangible assets:	
Furniture and Fixtures	10
Plant & Machinery	15
Office equipment	5
Vehicles	8-10
Leasehold Improvements	60
Computer equipment	3

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

(iii) Intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the company and where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS M. No. 088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the statement of profit and loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets:	**Useful lives (in years)**
Trademark	10
Computer Software	5

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

(iv) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

SAMPRK & ASSOCIATES M. No. 088271 DELHI CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. New Delhi

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.
After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(v) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(vi) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (OCI), or
- Fair value through profit and loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified to be measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

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In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features; prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

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iv. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Impairment of financial instruments:

The Company recognises loss allowances for expected credit losses on:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI- debt investments

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 150 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

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Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than agreed credit period.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- the financial asset is past due and not recovered within agreed credit period.

<u>Measurement of expected credit losses</u>

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). Presentation of allowance for expected credit losses in the balance sheet.
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
<u>Write-off</u>

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(vii) Employee Benefits

<u>Short term employee benefits:</u>

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc are recognised in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in statement of financial position.

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<u>Long term employee benefits</u>

Defined contribution plan: Provident fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions.

Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date. The plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service as at the balance sheet date through which the obligations are to be settled.

The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the other comprehensive income.

The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term benefits: Compensated absences

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method. done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the statement of profit and loss.

(viii) **Income tax**

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

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Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

Minimum alternate tax

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

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(ix) Contingent Liability, Contingent Asset and Provisions

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(x) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

(xi) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

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(xii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 - Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.

Segment Earnings Before Interest, Tax and Depreciation ('EBITDA') is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The operating segments have been identified on the basis of the nature of products/services. Company deals in one business namely "Educational Research".

The Board of Director(s) are collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 40 for segment information.

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3. Property, plant and equipment

(Amount In Rupees lacs)

Particulars	Land*	Plant & machinery	Furniture and fixtures	Vehicles	Office equipment	Lease hold Improvement	Computer hardware	Total
Balance as at April 01, 2018	-	36.80	9.26	26.19	8.87	42.18	18.68	141.98
Additions	48,517.55	0.23	1.29	51.10	13.25	6.30	13.93	48,603.65
Disposals	-	-	-	1.18	-	-	-	1.18
Ind AS remeasurements								
Balance as at March 31, 2019	48,517.55	37.03	10.55	76.11	22.12	48.48	32.61	48,744.45
Balance as at April 01, 2019	48,517.55	37.03	10.55	76.11	22.12	48.48	32.61	48,744.45
Additions	-	18.71	3.25	29.11	8.55	139.78	13.95	213.35
Disposals	-	-	-	4	-	-	-	4.20
Ind AS remeasurements								
Balance as at March 31, 2020	48,517.55	55.74	13.80	101.02	30.67	188.26	46.56	48,953.60
Accumulated depreciation and impairment losses								
Balance at April 01, 2018	-	11.26	1.26	7.07	4.58	3.95	13.11	41.23
Depreciation for the year	-	4.75	0.27	7.80	3.40	1.85	6.62	24.69
Disposals	-	-	-	0.06	-	-	-	0.06
Balance as at March 31, 2019	-	16.01	1.53	14.81	7.98	5.80	19.73	65.86
Balance at April 01, 2019	-	16.01	1.53	14.81	7.98	5.80	19.73	65.86
Depreciation for the year	-	4.89	0.76	21.01	7.81	1.74	13.09	49.30
Disposals	-	-	-	3.58	-	-	-	3.58
Balance as at March 31, 2020	-	20.90	2.29	32.24	15.79	7.54	32.82	111.58
Carrying amount (net)								
As at March 31, 2019	48,517.55	21.02	9.02	61.30	14.14	42.68	12.88	48,678.59
As at March 31, 2020	48,517.55	34.84	11.51	68.78	14.88	180.72	13.74	48,842.02

Note:
i. The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition, for details refer note 48.
* Refer note number 38(B)(d) of the financial statement.

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4. Other intangible assets

(Amount in `)

Particulars	Trade Marks	Computer Software	Total
Cost or deemed cost (gross carrying amount)			
Balance as at April 01, 2018	6.04	0.96	7.00
Additions	-	2.31	2.31
Disposals	-	-	-
Ind AS remeasurements	-	-	-
Balance as at March 31, 2019	6.04	3.27	9.31
Balance as at April 01, 2019	6.04	3.27	9.31
Additions	-	6.51	6.51
Disposals	-	-	-
Ind AS remeasurements	-	-	-
Balance as at March 31, 2020	6.04	9.78	15.82
Accumulated amortisation and impairment losses			
Balance at April 01, 2018	3.28	-	3.28
Depreciation for the year	-	0.50	0.50
Disposals	-	-	-
Balance as at March 31, 2019	3.28	0.50	3.78
Balance at April 01, 2019	3.28	0.50	3.78
Depreciation for the year	0.00	2.61	2.61
Disposals	-	-	-
Balance as at March 31, 2020	3.28	3.11	6.39
Carrying amount (net)			
As at March 31, 2019	2.76	2.77	5.53
As at March 31, 2020	2.76	6.67	9.43

Notes:

1. Internally generated intangible assets as at March 31, 2020 ` Nil, (March 31, 2019: ` Nil, April 1, 2018: ` Nil).
2. The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its intangible assets as its deemed cost as at the date of transition, for details refer note 48.

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5 Investment in subsidiary

(Amount in Rupees lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted, trade investment, at cost		
Investment in subsidiaries		
Crimson Holdings Private Limited 30,000 (March 31 2019: 30,000) equity shares of INR 10 each	3.00	3.00
Kayo Developers Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.01	1.01
Valente Real Estates Private Limited 10,000 (March 31, 2019: Nil) equity shares of INR 10 each	1.00	0.00
Clean & Green Energy India Private Limited 10,000 (March 31, 2019: Nil) equity shares of INR 10 each	1.00	0.00
Samishti Real Estate Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
MGFD Ventures Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Avinashi Buildtech Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Cassock Properties Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Chhavi Buildtech Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Easter Conbuild Private Limited 20,000 (March 31, 2019: 20,000) equity shares of INR 10 each	106.10	106.10
Ecstasy Conbuild Private Limited 20,000 (March 31, 2019: 20,000) equity shares of INR 10 each	106.10	106.10
Ethic Conbuild Private Limited 20,001 (March 31, 2019: 20,001) equity shares of INR 10 each	230.80	230.80
Gait Propbuild Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Glimpse Propbuild Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Godson Propbuild Private Limited 20,000 (March 31, 2019: 20,000) equity shares of INR 10 each	193.70	193.70
Gran Propbuild Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Grapeshot Propbuild Private Limited 20,000 (March 31, 2019: 20,000) equity shares of INR 10 each	208.90	208.90
Lifeline Buildtech Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Locus Propbuild Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Mega City Promoters Private Limited 65,000 (March 31, 2019: 65,000) equity shares of INR 10 each	6.50	6.50
MG Colonizers Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	239.90	239.90

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Pipalashray Estate Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Prayas Buildcon Private Limited 100,000 (March 31, 2019: 100,000) equity shares of INR 10 each	10.00	10.00
Spiritual Realtors Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Sukhda Promoters Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
Tushar Projects Private Limited 10,000 (March 31, 2019: 10,000) equity shares of INR 10 each	1.00	1.00
	1,122.01	1,120.01

The aggregate book value of unquoted non current investment are as follows:

	As at March 31, 2020	As at March 31, 2019
Aggregate book value of unquoted non current investment	3,529.49	3,527.49

The company has elected to measure all of its investments in subsidiary company at their previous GAAP carrying value. (refer note 48)

There are no other significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.

6 Non current financials assets- Investment

(Amount in Rupees lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted, trade investment, at cost		
Investment in associate		
Discovery Holdings Private Limited 49,850 (March 31 2019: 49,850) equity shares of INR 10 each	4.99	4.99
MGF Estates Management Private Limited 50,000 (March 31 2019: 50,000) equity shares of INR 10 each	5.00	5.00
Emaar MGF Construction Private Limited 2,188,102 (March 31, 2019: 2,188,102) equity shares of INR 10 each	2,407.48	2,407.48
MGF Promotions & Events Private Limited 50,000 (March 31 2019: 50,000) equity shares of INR 10 each	5.00	5.00
SSP Aviation Limited 520,300 (March 31 2019: 520,300) equity shares of INR 10 each	52.14	52.14
VMR Promoters Private Limited 2,500,000 (March 31 2019: 2,500,000) equity shares of INR 10 each	264.54	264.54
Acreage Builders Private Limited (30.91%) 164,380 (March 31 2019: 164,380) equity shares of INR 10 each	7,720.00	7,720.00
(A)	10,459.15	10,459.15

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Investment in joint venture			
North Delhi Metro Mall Private Limited			
9,144,053 (March 31 2019: 9,144,053) equity shares of INR 10 each		1,793.01	1,793.01
	(B)	1,793.01	1,793.01
Investment in other companies			
In equity shares (unquoted)			
Aryan Life Style Private Limited		64.00	64.00
640,000 (March 31 2019: 640,000) equity shares of INR 10 each			
Discovery Estates Private Limited			
500 (March 31 2019: 500) equity shares of INR 10 each		0.05	0.05
EMAAR MGF Education Private Limited			
8,000 (March 31 2019: 8,000) equity shares of INR 10 each		204.00	204.00
EMAAR MGF Land Limited		189.31	189.31
434,318 (March 31 2019: 434,318) equity shares of INR 10 each			
MGF Retail Services Private Limited			
3,500 (March 31 2019: 3,500) equity shares of INR 10 each		0.35	0.35
Shanti Private Limited			
440 (March 31 2019: 440) equity shares of INR 10 each		127.38	127.38
Vishnu Apartments Pvt. Ltd.		37.50	37.50
365,000 (March 31 2019: 365,000) equity shares of INR 10 each			
		622.59	622.59
In preference shares (unquoted)			
Triyug Projects Private Limited			
90,767,691 (March 31 2019: 90,767,691) equity shares of INR 10 each		1,522.09	1,387.84
		1,522.09	1,387.84
	(C)	2,144.68	2,010.43
Investment in Debentures			
North Delhi Metro Mall Private Limited			
281 (March 31 2019: 226) Debentures of INR 1,000,000 each		813.96	595.13
	(D)	813.96	595.13
Investment in others			
In Paintings and Sculptures		679.56	636.62
	(E)	679.56	636.62
	(A+B+C+D+E)	15,890.36	15,494.34

The aggregate book value of unquoted non current investment are as follows:

	As at March 31, 2020	As at March 31, 2019
Aggregate book value of unquoted non current investment	12,803.29	12,450.22

The company has elected to measure all of its investments in subsidiary company at their previous GAAP carrying value. (refer note 48)

There are no other significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.

7 Other non current financials assets

(Amount in Rupees lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	139.61	133.26
Interest accrued but not due on debentures	0.00	0.00
Fixed Deposits with maturity more than 12 months	331.06	37.69
Interest Receivable	12.60	7.60
	483.27	178.55

8 Deferred tax assets (net)

(Amount in Rupees lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (net)	20,330.37	4,165.71
	20,330.37	4,165.71

9 Non current assets

(Amount in Rupees lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Long term Loans and advances		
Lifeline Buildtech Private Limited	2,646.74	2,646.74
Provision	-347.57	-347.57
	2,299.17	2,299.17
Financial guarantee receivable.	43.35	44.57
Mat credit entitlement	98.47	98.47
Prepaid lease rent	0.00	3.17
	2,440.99	2,445.38

10 Non-current (tax) assets

(Amount in Rupees lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision as at March 31, 2020 INR 536.63 (March 31, 2019: INR 536.04))	1,557.79	1,387.83
	1,557.79	1,387.83

11 Inventories

(Amount in Rupees lacs)

	Particulars		As at March 31, 2020	As at March 31, 2019
	Land at Kherki Daula		339.68	339.68
	Land at Village - Kherki Dhaula, Gurgaon		1,791.06	1,791.06
		(A)	2,130.74	2,130.74
	Construction Work in Progress (As taken Valued and Certified by the Management)			
a)	Opening Balance		3,434.53	3,434.02
	Add : Proportionate Cost of work done during the year		-844.35	-51.20
	Less : Cost of construction charged to Profit & Loss Account		844.35	51.71
			3,434.53	3,434.53
b)	Acquisition of work-in-progress in demerger		54,922.22	54,922.22
			54,922.22	54,922.22
c)	Investment Project - MGF Centre		636.18	0.00
	Add : Additions additions during the year		1,408.86	636.18
			2,045.04	636.18
		(B)	60,401.79	58,992.93
	Finished Stock (As taken Valued and Certified by the Management)			
a)	Closing Inventory of Built-up shops		6,380.67	6,246.33
	Add: Purchase of Unit No. UG-005 from Hemand & Smriti Gupta in Metropolis Mall-GGN		0.00	134.34
			6,380.67	6,380.67
b)	Acquisition of finished goods in demerger		0.00	0.00
			0.00	0.00
c)	Investment Project - Qutab		2,176.42	2,176.42
			2,176.42	2,176.42
		(C)	8,557.09	8,557.09
		(A+B+C)	71,089.62	[illegible]

SAMPRK & ASSOCIATES
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DELHI
CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD.
New Delhi

12 Current financial investments

Particulars	As at March 31, 2020	As at March 31, 2019
	(Amount in Rupees lacs)	
Investment in Mutual Funds	40.55	37.81
Investment in Equity Shares (Listed)	0.00	3,359.12
	40.55	3,396.93

13 Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
	(Amount in Rupees lacs)	
Un-secured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	840.10	602.65
Other receivables	40.08	69.03
	880.18	671.68
Un-secured, considered doubtful	2,136.27	2,242.40
Less: Provision for doubtful debts	-2,136.27	-2,242.40
Total Trade Receivable	880.18	671.68

14 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
	(Amount in Rupees lacs)	
Balances with banks		
On current accounts	132.77	1,892.47
Deposits with original maturity of less than three months	65.28	225.19
Cheques, drafts on hand	1.01	0.00
Cash on hand	58.05	25.28
	257.11	2,142.94

15 Bank balances other than Cash and Cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
	(Amount in Rupees lacs)	
Deposits with Maturity Period		
of more than 3 months but upto 12 months	251.66	836.66
	251.66	836.66

16 Other current financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
	(Amount in Rupees lacs)	
Inter-corporate Deposit Interest Free - related parties	28,342.51	28,750.18
Inter-corporate Deposit Interest Free - Other Parties	2,876.87	2,854.96
Loans and advances to related parties		
Unsecured, considered good	1,67,815.07	1,67,815.07
Doubtful	244.67	244.67
Less: Provision	-244.67	-244.67
Advances for land and land development rights		
Unsecured, considered good	15,989.08	15,989.08
Advances recoverable in cash or kind		
Unsecured, considered good - Govt Fees	5,311.11	5,311.11
Other Receivables- related parties	2,484.21	2,472.80
Other Receivables- others	1,838.33	777.07
Dividend Receivable	4.54	0.00
Interest Receivable	13.49	26.21
Security Deposits	2,707.11	2,488.13
Business Advances	2,578.03	2,053.09
Advances To Suppliers	7.95	0.00
Advances Given to Staff	14.41	5.31
	2,29,982.71	2,28,543.01

17 Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
	(Amount in Rupees lacs)	
Advance Against Land	2,532.99	2,532.99
Booking Advance - Related Party	2,630.00	2,630.00
Unbilled revenue	3,039.72	3,039.72
Prepaid lease rent	3.17	6.03
Service tax refundable	0.00	20.71
GST Input Credit	290.53	146.79
Prepaid Expenses	43.22	39.86
	8,539.63	8,416.10

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS M. No.088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

MGF DEVELOPMENTS LIMITED
Statement of changes in equity for the year ended March 31, 2020

A. Equity share capital

Balance as at March 31, 2018		5,976.51
Changes in equity share capital during the year 2018-19		-
Balance as at March 31, 2019		5,976.51
Changes in equity share capital during the year 2019-20		-
Balance as at March 31, 2020		5,976.51

B. Other equity

For the year ended March 31, 2020

(Amount in Rupees lacs)

Particulars	Reserves & Surplus				Remeasurement of defined benefit plans	Total
	Security premium reserve	General reserve	Deemed equity	Retained Earnings		
Balance as at March 31, 2018	12,393.64	324.39	71.25	12,769.49	-4.46	25,554.31
Opening Balance as at April 01, 2018	12,393.64	324.39	71.25	12,769.49	-4.46	25,554.31
Financial guarantee issued during the year	-	-	6.71	-	-	6.71
Profit on account of demerger			2,17,601.88			2,17,601.88
Profit for the year	-	-	-	-25,891.29	-	-25,891.29
Other comprehensive income	-	-	-	-	-2.48	-2.48
Total Comprehensive Income	-	-	-	-25,891.29	-2.48	-25,893.77
Balance as at March 31, 2019	12,393.64	324.39	2,17,679.84	-13,121.80	-6.94	2,17,269.13
Opening Balance as at April 01, 2019	12,393.64	324.39	2,17,679.84	-13,121.80	-6.94	2,17,269.13
Financial guarantee issued during the year	-	-	(Amount in Rupees	-	-	-
Profit on account of demerger			-			-
Profit for the year	-	-	-	16,629.54	-	16,629.54
Other comprehensive income	-	-	-	-	0.44	0.44
Total Comprehensive Income	-	-	-	16,629.54	0.44	16,629.98
Balance as at March 31, 2020	12,393.64	324.39	2,17,679.84	3,507.74	-6.50	2,33,899.11

As per our report of even date

For S A M P R K & ASSOCIATES
Chartered Accountants
Firm Registration No : 013022N

CA Keshav Kumar
(Partner)
Membership Number: 088271

For and on behalf of Board of Directors of
MGF Developments Limited

Rakshit Jain
Director & CEO
DIN : 00607288

Azhar Quadir
(Director)
DIN - 07287027

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place: New Delhi
Date : December 4, 2020

Place: New Delhi
Date : December 4, 2020

MGF DEVELOPMENTS LIMITED
Notes to the financial statements for the year ended March 31, 2020

18 Equity share capital

The Company has only one class of share capital having a par value of INR 10 per share, referred to herein as equity share.

	March 31, 2020		March 31, 2019	
	Numbers	Amount in Lacs	Numbers	Amount in Lacs
Authorised shares Equity shares of INR 10 each (Previous year INR 10)	16,20,00,000	16,200.00	16,00,00,000	16,000.00
Issued, subscribed and fully paid up shares Equity shares of INR 10 each (Previous year INR 10)	5,97,65,070	5,976.51	5,97,65,070	5,976.51
Issued, subscribed and partly paid up shares Equity shares of INR 10 each (Previous year INR 10), INR 1 per share paid up	-	-	-	-
	5,97,65,070	5,976.51	5,97,65,070	5,976.51

a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting year

Particulars	March 31, 2020		March 31, 2019	
	Numbers	Amount in Lacs	Numbers	Amount in Lacs
At the beginning of the year	5,97,65,070	5,976.51	5,97,65,070	5,976.51
Issued during the year	-	-	-	-
Partly paid up shares converted into fully paid up for INR 9 per share	-	-	-	-
Outstanding at the end of the year	5,97,65,070	5,976.51	5,97,65,070	5,976.51

b) Terms/rights attached to equity share

Voting
Each holder of equity shares is entitled to one vote per share held.

Dividends
The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend in the current year and previous year.

Liquidation
In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by the holding company / ultimate holding company and/or their associates/ subsidiaries.

Name of share holder	March 31, 2020		March 31, 2019	
	Numbers	% held	Numbers	% held
Discovery Estates Private Limited	2,39,53,191	40.08	2,39,53,191	40.08
Vishnu Apartments Private Limited	1,99,21,690	33.33	1,99,21,690	33.33
	4,38,74,881	73.41	4,38,74,881	73.41

d) Details of shareholders holding more than 5% shares in the Company

Name of share holder	March 31, 2020		March 31, 2019	
	Numbers	% held	Numbers	% held
Discovery Estates Private Limited	2,39,53,191	40.08	2,39,53,191	40.08
Vishnu Apartments Private Limited	1,99,21,690	33.33	1,99,21,690	33.33
SSP Aviation Limited	99,60,845	16.67	99,60,845	16.67
Shilpa Gupta	40,54,047	6.78	40,54,047	6.78

e) No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back during the period of 5 years immediately preceeding the Balance Sheet date

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ M. No.088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

f) The Hon'ble National Company Law Tribunal ("NCLT"), has approved the Scheme of Arrangement (hereinafter referred to as "the Scheme") by way of demerger between Emaar MGF Land Limited ("Demerged Company") and MGF Developments Limited ("MGF" or "Resulting Company") on July 16, 2018 vide Order no. 7869 and accordingly, pursuant to the provision of the Companies Act, 2013, Effective Date of Demerger Scheme is July 16, 2018.

Clause 9.6 of the Scheme of Arrangement is reproduced herein below:

Upon the coming into effect of the Scheme, the authorised share capital of the Demerged Company to the extent of Rupees One Billion (INR 1,000,000,000) shall be transferred to the Resulting Company. The authorised share capital of the Resulting Company shall stand automatically increased by the said amount, without any further act or deed and accordingly the existing capital clause in the Memorandum of Association of the Resulting Company shall stand altered to such extent. It is clarified that the alteration to the capital clause shall be an integral part of the Scheme and shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Resulting Company, while approving the Scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 13, 14, 61 (to the extent notified) and Section 64 of the Act or any other applicable provision of the Act and shall not be required to pass separate resolutions as required under the Act.

The Company had increased its Authorised Share Capital from Rs. 160,00,00,000 to Rs. 162,00,00,000 w.e.f. 7th day of May, 2019 and thereafter, the Authorised Share Capital of the Company stands at Rs. 162,00,00,000/- (Rupees One Hundred Sixty-Two Crores Only) and that the same have been intimated to the Registrar of Companies, NCT of Delhi and Haryana vide letters dated September 04, 2018 and August 5, 2019 for updating of Master data of the Company on the website of Ministry of Corporate Affairs. However, as on the date, the master data of the Company has not updated in the record of Ministry of Corporate Affairs.

As per the said clause 9.6 of the Scheme, considering the Order of NCLT, Demerged Company was required to transfer Authorised Share Capital to the extent of Rupees One Hundred Crore (INR 1,000,000,000) to the Resulting Company and update its master data on the MCA Portal, hence, make enable to Resulting Company to issue equity shares to shareholders of Demerged Company pursuant to the Scheme,.

In the view above the Resulting Company had filed a request letter dated September 04, 2018 to Registrar of Companies, Ministry of Corporate Affairs, New Delhi, to increase the authorised share capital of the Resulting Company from the existing Rupees Sixty Crore (INR 60,00,00,000) to Rupees One Hundred Sixty Crore (INR 1,60,00,00,000) and to update the master data of Resulting Company. Accordingly, in compliance of Order of NCLT, MGF have increased its authorised share Capital from the existing Rupees Sixty Crore (INR 60,00,00,000) to Rupees One Hundred Sixty Crore (INR 1,60,00,00,000) w.e.f. July 16, 2018 and disclosed the same in financial statement ending March 31, 2019. However master data is not reflected the same in the record of Ministry of Corporate Affairs, therefore the Company is unable to issue the equity shares to the shareholders of Demerged Company.

18.1 Shares pending allotment

The Hon'ble National Company Law Tribunal ("NCLT"), has approved the Scheme of Arrangement (hereinafter referred to as "the Scheme") by way of demerger between Emaar MGF Land Limited ("Demerged Company") and MGF Developments Limited ("Resulting Company") on July 16, 2018 vide Order no. 7869 and accordingly, pursuant to the provision of the Companies Act, 2013, Effective Date of Demerger Scheme is July 16, 2018.

Pursuant to the aforesaid Scheme, the Resulting Company shall issue and allot equity shares in the Resulting Company ("New Equity Shares") to the shareholders of the Demerged Company, whose names appear in the Register of Members of the Demerged Company as on the Record Date, in the Ratio of 9 (Nine only) equity shares of INR 10.00 each of the Resulting Company, credited as fully paid-up for every 416 (Four Hundred and Sixteen only) equity shares of INR 10.00 each, fully paid-up held in the Demerged Company.

Further, pursuant to Clause 12 "*Upon the Scheme coming into effect, the issued, subscribed and paid up share capital of the Demerged Company shall stand reduced, on a proportionate basis, from the present sum of Rupees Nine Billion One Hundred Twenty Six Million One Hundred Ninety Eight Thousand Four Hundred Fifty (INR 9,126,198,450) divided into Nine Hundred Twelve Million Six Hundred Nineteen Thousand Eight Hundred Forty Five (912,619,845) equity shares of the face value of Rupees Ten (INR 10) each fully paid to Nine Hundred Twelve Million Six Hundred Nineteen Thousand Eight Hundred Fifty (912,619,850) divided into Ninety One Million Two Hundred Sixty One Thousand Nine Hundred Eighty Five (91,261,985) equity shares of the face value of Rupees Ten (INR 10) each fully paid.*"

In the view of above, pursuant to the aforesaid clauses of the Scheme, the paid up share capital of Demerged Company had been reduced on Effective Date. Hence the Resulting Company can issue the share those shareholders in their proportion of shares held in Demerged Company on the Record Date.

The Resulting Company has filed petition to Hon'ble NCLT for implementation of aforesaid Scheme and to appoint a Court Person to supervise the implementation of Scheme. Accordingly, the Resulting Company shall issue that much number of shares as directed by Hon'ble Court Officer/Hon'ble NCLT. Although no decision has been passed by Hon'ble NCLT till date for proper implementation of the scheme, the Resulting Company on conservative basis has accounted the maximum amount of shares required to be issued bases on pre reduced capital of Demerged Company on the effective date in the form of Share Pending Allotment" in its financial statement ending March 31, 2020.

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ M. No.088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

19 Other equity

(Amount in Rupees lacs)

Securities premium account	As at March 31, 2020	As at March 31, 2019
Opening balance	12,393.64	12,393.64
Closing balance (A)	12,393.64	12,393.64

General reserve	As at March 31, 2020	As at March 31, 2019
Opening balance	324.39	324.39
Closing balance (B)	324.39	324.39

Capital reserve	As at March 31, 2020	As at March 31, 2019
Opening balance	2,17,601.88	0.00
Adjustment on account of demerger	0.00	2,17,601.88
Closing balance (C)	2,17,601.88	2,17,601.88

Surplus in the statement of profit and loss	As at March 31, 2020	As at March 31, 2019
Opening balance	-13,121.81	12,769.49
Add: profit for the year	16,629.54	-25,891.30
Closing balance (D)	3,507.73	-13,121.81

Other comprehensive income	As at March 31, 2020	As at March 31, 2019
Opening balance	-6.93	-4.46
Add: Remeasurement of post employment benefit obligations	0.44	-2.47
Closing balance (E)	-6.49	-6.93

Deemed capital contribution	As at March 31, 2020	As at March 31, 2019
Opening balance	77.96	71.25
Add/Less: Financial guarantee given/taken during the year	0.00	6.71
Closing balance (F)	77.96	77.96
Total other equity (A+B+C+D+E+F)	2,33,899.11	2,17,269.13

20 Non current borrowings

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Secured		
Financial Institutions	17.17	8.11
From Banks	4,277.12	4,360.44
Amount disclosed under the head "other current financial liabilities"	-277.72	-219.30
	4,016.57	4,149.25

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ M. No.088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

Loan from IndusInd Bank of Rs. 55 Crores

1. This Loan has been disbursed by IndusInd Bank to the company vide sanction letter dtd. March 19, 2018 (Reference No. IBL/CAD North/2017-18/4927).

2.The applicable rate of interest is mutually agreed between both the parties.

3. This loan shall be repaid by way of 144 structured Monthly Installments i.e. average EMI of Rs. 5,367,837 w.e.f. February, 2018.

Primary Security

Assignment of lease rentals via escrow mechanism from the following comapies received by MGF Developments Limited. (MGF)

1. Shoppers Stop (both Metropoliton Mall, Gurgaon and Metropoliton Mall, Saket)
2. Connaught Plaza Restaurants Private Limited.
3. Bistro Hospitality Private Limited.
4. PVR Limited. (both screen and food area)
5. Nath Motors Private Limited.
6. Decon Lifestyle Private Limited.

(or any other lessee for demised premises with prior noting with credit)

Assignment of lease rentals via escrow mechanism for PVR (both screen and food area) received by Discovery Estates Private Limited (DE)
(or any other lessee for demised premises with prior noting with credit)

Collateral Security

- First and exclusively charge of Equitable mortgage of the following commercial area in Metropolitan Mall, Gurgaon
- 6,801.67 square feet of commercial area in ground floor and 23,812.8 square feet of commercial area in first floor of the mall, currently leased to Shoppers Stop Limited and owned by MGF.
- 3,014 square feet of commercial area in ground floor of the mall, currently leased to Connaught Plaza Restaurants Private Limited and owned by MGF.
- 2,825 square feet of commercial area in lower ground floor, 2,825 square feet of commercial area in ground floor and 2,825 square metre commercial area in first floor of the mall currently leased to Bistro Hospitality Private Limited and owned by MGF.
- 3,250 square feet of commercial area in third floor and 8,500 square feet of commercial area in 4th floor of the mall currently leased to PVR limited by MGF development limited and owned by MGF.
- 3,250 square feet of commercial area in 3rd floor and 8,500 square feet of commercial area of the mall ,currently leased to PVR limited by DE and owned by DE.
- First and exclusive charge of ground floor (Shop 1 to 6 and 15 to 18 with leasable area of 10,083 square feet) in metropolis Mall, Gurgaon currently leased to Decon Lifestyle Private Limited and owned by MGF.
- First and exclusive charge of shop number G1 with leasable area of 14,889. 60 square feet in ground floor and shop number F1 with leasable area of 18,711.76 square feet in first floor on metropolitan Mall, Saket currently leased to shoppers Stop limited and owned by MGF

The Valuations of Property should be assigned to top notch firm (CBRE/JLL).

Personal Guarantee

- Personal guarantee of Mr. Shravan Gupta
(Borrower to undertake that no commission has been/will be paid to gaurantors on extending their guarantee for the advance.)

Other

- DSRA equivalent to 1 quarter (interest + principal) to be kept a upfront.

Collateral coverage

- To be maximum of 2x exclusively to IBL.

Creation and perfection of Security

- Agreement to assign receivables along with POA to be created upfront before disbursement.
- Security creation and perfection to be done within 90 days from the date of disbursement.

21 Long term provisions

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	50.20	37.38
Provision for leave encashment	19.73	15.33
	69.93	52.71

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS M. No.088271 DELHI

MGF DEVELOPMENTS LTD. New Delhi

22 Current borrowings

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Unsecured Loans from Related Parties		
Directors	42.40	42.40
Inter Corporate Deposit (Bearing Interest)	777.51	777.39
Inter Corporate Deposit (Interest Free)	843.66	769.08
Government Fees	6,196.61	6,196.61
Unsecured Loans from Other Parties		
Other Inter Corporate Deposit (Interest Free)	4,409.65	4,579.80
	12,269.83	12,365.28

23 Trade payables

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Trade Payable for Services	224.25	65.10
Trade Payable Project	8,823.97	8,901.50
	9,048.22	8,966.60

24 Other current financial liability

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Current maturities of Loans from Financial Institution	277.72	219.30
Non-convertible debentures		
NCD 22600 (refer note below)	69,580.00	69,580.00
Premium on NCD 2260	2,589.55	2,589.55
Finance lease obiligations (Jasola)	6,926.94	6,926.94
Interest accured and not due on NCD 2260	23,073.92	23,073.92
Interest accrued and due on EDC/IDC payable	5,953.30	5,953.30
Advances received towards collaboration agreements	8,450.00	8,450.00
Book Overdebts	0.00	35.22
Security Deposits from Customers	1,147.83	1,013.35
Security Deposits - Others	7,000.00	7,000.00
Due to Joint Ventures	9,814.80	7,380.49
Trade Payable for Capital Goods	136.09	136.09
	1,34,950.15	1,32,358.16

Note:

Liability has come via Demerger order according to which new NCDs have to be issued by the Company to existing holders of the NCDs. The Company has filed petition to NCLT for non-implementation of the said scheme by Emaar MGF. As per the said scheme, the security package along with guarantee of the security has yet not been effected by EMAAR MGF Land Limited. Therefore, the said Liability is recognised in the books of accounts, however, the same is not properly identified and disclosed by the Company due to pending absolute implementation of Scheme as per demerged order.

25 Other current liability

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Booking Advances from Customers	2,839.53	3,659.25
Other Payable	5,105.00	8,540.86
Payable to Staff	12.69	0.00
Advances for CAM & Electricity - Vilas	0.00	0.00
Advance from tenants	0.00	0.00
Duties & Taxes		
TDS	33.46	31.67
Service Tax/GST	26.30	5.53
WCT	0.00	0.00
Provident Fund/ESI	7.32	7.41
	8,024.30	12,244.72

26 Current provisions

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	7.56	6.98
Provision for leave encashment	2.26	2.19
	9.82	9.17

27 Current tax liabilities (net)

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Provision for tax (net of advance tax as at March 31, 2020 INR 423.62 (March 31, 2019: INR 423.62))	1,245.80	1,565.03
Total Short Term Provision	1,245.80	1,565.03

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Notes to the financial statements for the year ended March 31, 2020

28 Revenue from operations

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
a) Sales	1,661.99	-139.52
b) Rent	1,517.99	1,234.14
c) Other Operating Revenue:-		
Electricity & Water Receipts	115.08	110.87
Maintenance Income	1.54	0.00
Transfer Charges	0.00	2.14
	3,296.60	1,207.63

29 Other income

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Interest Income	105.85	63.55
Interets income on debentures	4.54	0.00
Profit on Sale of Investments	745.93	1,420.48
Profit on Sale of Assets	0.58	0.00
Reversal of expected credit loss	106.13	0.00
Dividend Income	2.12	1.68
Finance Income	216.09	86.40
Income on restatement of mutual fund	0.61	0.00
Miscellaneous Income	420.21	12,982.28
	1,602.06	14,554.39

30 Cost of Materials Consumed

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Cost of Material Consumed	-844.35	-51.71
Total Cost of material Consumed	-844.35	-51.71

31 Purchase of Stock-In-Trade

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Purchase of Stock-in-Trade	0.00	32.75
	0.00	32.75

32 (Increase) / Decrease in Inventories

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Closing stock		
- Finished goods	8,557.09	8,557.09
	8,557.09	8,557.09
Opening stock		
- Finished goods	8,557.09	8,390.00
	8,557.09	8,390.00
	0.00	-167.09

33 Employee benefit expenses

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Salary & Other Allowances	589.18	494.61
Contribution to PF	31.79	28.73
Staff Welfare Expenses	17.94	12.39
	638.91	535.73

34 Finance cost

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Interest Charges on Term Loans	430.45	440.84
Loan processing Fees	38.50	98.21
Interest Charges on ICD	64.86	64.85
Finance cost	412.41	[illegible]
	946.22	[illegible]

35 Depreciation & Amortisation

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Depreciation	49.31	24.68
Amortisation	2.61	0.50
	51.92	25.18

36 Other expenses

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Power & Fuel	162.95	171.72
Rent	377.80	363.06
Repair & Maintenance Building	126.53	39.56
Repair & Maintenance Plant & Machinery	16.67	17.93
Bank Charges	17.29	2.26
Insurance Charges	4.82	2.64
Rates & Taxes	103.12	88.46
Compensation, Rebate & Discount	601.48	25.12
Legal & Professional Charges (refer note below)	1,686.31	1,465.60
Claims	0.00	20,106.71
Loss on settlement claims	0.00	8,326.69
Facility Management Services	0.00	0.00
Security Expenses	45.85	22.09
Tours and Travelling	214.30	216.95
Provision for doubtful debts	0.00	670.98
Loss on restatement of mutual fund	0.00	0.00
Loss on Sale of Investments	0.00	0.00
Loss on Sale of Fixed Assets	0.00	1.02
Miscellaneous Expenses	283.52	1,786.90
	3,640.64	33,307.69

Remuneration to auditors (excluding goods and service tax)

(Amount in Rupees lacs)

	As at March 31, 2020	As at March 31, 2019
Statutory audit	8.00	8.00
Other Expenses	1.50	1.50
Total	9.50	9.50

MGF DEVELOPMENTS LIMITED
Notes to the financial statements for the year ended March 31, 2020

(Amount in Rupees lacs)

37 Disclosure as per Ind AS 33 on 'Earnings per Share'

	March 31, 2020	March 31, 2019
Basic earning per share (a)/(b)	27.83	(43.32)
Diluted earning per share (a)/(b)	27.83	(43.32)
Nominal value per share	10.00	10.00
Profit attributable to equity shareholders	16,629.98	-25,891.29
From continuing operations (a)	16,629.98	-25,891.29
	No of shares	No of shares
Weighted average number of shares		
Weighted average number of equity shares for the year (b)	5,97,65,070	5,97,65,070

At present, the Company does not have any dilutive potential equity shares.

38 Contingent liabilities, contingent assets and commitments

A. Commitments:

	March 31, 2020	March 31, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for - to related party [Net of advances of INR 4,353.72 lacs (March 31, 2018: INR 4,353.72 lacs)]	5,886.28	5,886.28
Total capital commitments	5,886.28	5,886.28

B. Contingent liabilities:

	March 31, 2020	March 31, 2019
a. Securities/ Performance guarantee provided to various government authorities/others	780.60	292.87
b. Claims against the Company not acknowledged as debts(refer note i)	345.43	449.19

Note (i) Details of claims against the Company not acknowledged as debt

Particulars	Section	Assessment Year pertaining	March 31, 2020	March 31, 2019
Income tax	148	2004-05	0.00	49.24
Income tax	220(2)	2004-05	26.15	0.00
Income tax	143(3)	2009-10	0.00	47.74
Income tax	220(2)	2009-10	55.92	9.94
Income tax	153A	2010- 11	0.00	6.06
Income tax	220(2)	2010- 11	2.70	14.80
Income tax	143(1)(a)	2011- 12	0.00	319.23
Income tax	220(2)	2011- 12	259.66	0.00
Income tax	143(1)(a)	2012-13	0.00	0.00
Income tax	220(2)	2013- 14	0.04	0.00
Income tax	153A	2014-15	0.00	0.00
Income tax	153A	2014-15	0.96	0.00
Income tax	143(3)	2015-16	0.00	2.18
Total			345.43	449.19

Amount above includes:
The management is of the opinion that, based on issues decided in the earlier year and the legal advice that the ultimate outcome of the legal proceedings in respect to tax matters, as given above, will not have material adverse effect to the financial position of the Company.

The management is of the opinion that, based on issues decided in the earlier year and the legal advice that the ultimate outcome of the legal proceedings in respect to tax matters, as given above, will not have material adverse effect to the financial position of the Company.

c. In pursuance of the Demerger of Emaar MGF Land Limited ("Emaar") and MGF Developments Limited ("MGFD"), the Companies have executed various agreements including Warranty Indemnity Agreement (WIA) and Litigation Indemnity Agreement (LIA) dated April 13, 2016 and Emaar has made various claims under the aforesaid agreements for an approx. amount of Rs. 23,691.64 (amount in Rupees lacs) as on the financial year ending March 31, 2020 and an approx. amount of Rs. 70,440.11 (amount in Rupees lacs) till the date of approval of financial statements of MGFD, i.e. December 04, 2020, further, for enforcing this claim Emaar has also yanked the land of MGFD.

However, Emaar has not yet proved the validity of these claims for which the matter is pending before the International Court of Arbitration of The International Chamber of Commerce, London. Therefore, the requisite liability shall be decided only on the basis of final order of the said Arbitration Tribunal.

Based on the legal advice, management is of the opinion that the ultimate outcome of the legal claim in respect to Warranty and Litigation indemnity, as given above, will not have material adverse effect to the financial position of the Company.

d. On 24th June 2020, search and seizure operations were conducted at various locations of the Company and on the premises of certain Executive Directors and employees of the Company and certain promoters, companies of promoters, members of Promoter Company, and relatives of the Promoters and employees of the promoter companies by the Enforcement Directorate. During the course of the search and seizure operations, the Enforcement Directorate have taken custody of certain materials such as documents, records, computer files and hardware and recorded statement of certain officials of these entities. Pending completion of above referred proceedings, the liability, if any that may ultimately arise on this account cannot presently be ascertained.

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C. **Contingent assets:**
The Company does not have any contingent assets as at March 31, 2020 and March 31, 2019

39 **Employee benefits**
The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:
The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

	Year ended March 31, 2020	Year ended March 31, 2019
Contribution to provident fund	31.79	28.73

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(ii) **Defined Benefit Plan:**

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. The following table set out the status of the defined benefit obligation

	March 31, 2020	March 31, 2019
Net defined benefit liability		
(Assets)/Liability for Gratuity	57.76	44.36
Total employee benefit liabilities	57.76	44.36
Non-current	50.20	37.38
Current	7.56	6.98

B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	March 31, 2020			March 31, 2019		
	Defined benefit obligation	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**
Balance at the beginning of the year	44.36	-	44.36	31.66	-	31.66
Included in profit or loss						
Current service cost	10.59	-	10.59	8.11	-	8.11
Interest cost (income)	3.40	-	3.40	2.45	-	2.45
	13.99	-	13.99	10.56	-	10.56
Included in OCI						
Remeasurements loss (gain)						
- Total actuarial loss/(gain) on obligation	-0.59	-	-0.59	3.34	-	3.34
	-0.59	-	-0.59	3.34	-	3.34
Other						
Benefits paid	-	-	0.00	-1.20	-	-1.20
	0.00	-	0.00	-1.20	-	-1.20
Balance at the end of the year	57.76	-	57.76	44.36	-	44.36

C. Expenses Recognised in the statement of profit and loss for the year

	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	10.59	8.11
Interest cost	3.40	2.45
	13.99	10.56

D. Plan assets

Plan assets comprises of the following:

	March 31, 2020	March 31, 2019
Funds Managed by Insurer	-	-

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

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D. Actuarial assumptions

a. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation asumptions are as follows which have been selected by the company.

	March 31, 2020	March 31, 2019
Discount rate	6.69%	7.66%
Expected rate of future salary increase	6.00%	6.00%

The discount rate has been assumed at 6.69% (March 31, 2019: 7.66%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Demographic assumptions

	March 31, 2020	March 31, 2019
i) Retirement age (years)	59.00	59.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 years	7	7
From 31 to 44 years	2	2
Above 44 years	2	2

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	-2.28	2.45	-1.75	1.88
Future salary growth (0.50% movement)	2.46	-2.31	1.91	-1.79

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Senstivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	March 31, 2020	March 31, 2019
Duration of defined benefit obligation		
Less than 1 year	7.65	6.98
Between 1-2 years	0.97	0.75
Between 2-5 years	15.57	4.31
Over 5 years	33.57	32.32
Total	57.76	44.36

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 are INR 15.72 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12.12 years (March 31, 2019: 12.14 years).

(iii) Other long-term employee benefits:

The company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. During the year ended March 31, 2020, the Company has incurred an expense on compensated absences amounting to INR 11.45 lacs (previous year INR 10.80 lacs). The Company determines the expense for compensated absences basis the actuarial valuation of plan assets and the present value of the obligation, using the Projected Unit Credit Method.

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A. The following table set out the status of the defined benefit obligation

	March 31, 2020	March 31, 2019

Net defined benefit liability		
Liability for earned leave	21.99	17.52
Total employee benefit liabilities	21.99	17.52
Non-current	19.73	15.33
Current	2.26	2.19

B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	March 31, 2020			March 31, 2019		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	17.52	-	17.52	11.70	-	11.70
Included in profit or loss						
Current service cost	7.39	-	7.39	6.10	-	6.10
Interest cost (income)	1.33	-	1.33	0.91	-	0.91
- Total actuarial loss/(gain) on obligation	2.73	-	2.73	3.79	-	3.79
	11.45	-	11.45	10.80	-	7.01
Other						
Benefits paid	-6.98	-	-6.98	-4.98	-	-4.98
	-6.98	-	-6.98	-4.98	-	-4.98
Balance at the end of the year	21.99	-	21.99	17.52	-	13.73

C. Expenses Recognised in the statement of profit and loss for the year

	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	7.39	6.10
Interest cost	1.33	0.91
Actuarial loss (gain)	2.73	3.79
	11.45	10.80

D. Actuarial assumptions

a. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation aaumptions are as follows which have been selected by the company.

	March 31, 2020	March 31, 2019
Discount rate	6.69%	7.66%
Expected rate of future salary increase	6.00%	6.00%

The discount rate has been assumed at 6.69% (March 31, 2019: 7.66%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Demographic assumptions

	March 31, 2020	March 31, 2019
i) Retirement age (years)	59.00	59.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 years	7	7
From 31 to 44 years	2	2
Above 44 years	2	2

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	-0.97	1.05	-0.80	0.87
Future salary growth (0.50% movement)	1.05	-0.98	0.88	-0.82

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Senstivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

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Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

F. **Expected maturity analysis of the defined benefit plans in future years**

Particulars	**March 31, 2020**	**March 31, 2019**
Duration of defined benefit obligation		
Less than 1 year	2.26	2.19
Between 1-2 years	0.50	0.39
Between 2-5 years	6.24	1.26
Over 5 years	12.99	13.68
Total	21.99	17.52

Expected contributions to post-employment benefit plans for the year ending 31 March 2021 are INR 8.42 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12.12 years (March 31, 2019: 12.14 years).

40 **Disclosure as per Ind AS 108 on 'Operating segments'**

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.The Company's board reviews the results of "residential, commercial and retail real estate development." on a quarterly basis. The company's board of directors uses Earning Before Interest, Tax and Depreciation ('EBITDA') to assess the performance of the operating segments. Accordingly, there is only one Reportable Segment for the Company which is "residential, commercial and retail real estate development.", hence no specific disclosures have been made.

Entity wide disclosures

Information about products and services

Company deals in one business namely "provision of education and related services". Therefore product wise revenue disclosure is not applicable.

Information about geographical areas

Company operates under single geographic location, there are no separate reportable geographical segments.

Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 per cent or more of an entity's revenues:

Customer	**March 31, 2020**	**March 31, 2019**
Shoppers Stop Limited	698.78	682.68
Pradeep Jain	-	-
Nirmal Singh & Prem Kaur	-	-

41 **Leases**

Operating leases

The Company is a lessee under an operating leases. The lease terms of premise range from 1 to 5 years and accordingly are short term leases, with an option to renew the lease after that period. Lease payments are renegotiated every five years to reflect market rentals. Expected future minimum commitments for non-cancellable leases are as follows:

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(Amount in Rupees lacs)

	March 31, 2020	March 31, 2019
(i) Future minimum lease payments		
Not later than one year	229.22	251.00
Later than one year but not later than five year	-	66.00
Later than five year	-	-
Total	229.22	317.00

(ii) Amounts recognised in profit and loss account	Year ended March 31, 2018	Year ended March 31, 2017
Lease expense- minimum lease payments	377.80	363.06

42 In terms of the clause 22 of chapter V micro, small and Medium enterprises development Act 2006 (MSMED act 2006), the disclosure of payments due to any supplier as at March 31, 2018 are as follows:

Particulars	March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting period included in		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the period) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-

43 Deferred tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax		
Current year	0.59	0.00
Minimum Alternate Tax	0.00	0.00
	0.59	0.00
Deferred tax		
Change in recognised temporary differences	-16,164.81	-2,060.27
Earlier year tax adjustments	-	-12.12
	-16,164.81	-2,072.39
Total tax expense	-16,164.22	-2,072.39

B. Amounts recognised in other comprehensive income

	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Remeasurements of defined benefit liability	0.59	-0.15	0.44	-3.34	0.87	-2.47
	0.59	-0.15	0.44	-3.34	0.87	-2.47

C. Reconciliation of effective tax rate

	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Rate	Amount	Rate	Amount
Profit before tax		16,629.54		-25,888.82
Tax using the Company's domestic tax rate	26.00%	4,323.68	26.00%	-6,731.09
Tax effect of:				
On account of timing difference		-4,280.49		4,670.82
On account of brought forward losses		-16,208.00		-
On account of earlier year tax adjustments		-		-12.12
	26.00%	-16,164.81	26.00%	-2,072.39

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D. Movement in temporary differences

	As at 31 March 2019	Recognized in P&L	Recognized in OCI	As at 31 March 2020
Deferred tax assets				
Property, plant and equipment	776.20	-75.06	-	701.14
Provisions for employee benefits	16.08	4.80	0.15	20.73
Trade receivables	583.01	-27.59	-	555.42
Other non current financials assets- security deposits	2.58	-1.65	-	0.93
Brought forward losses	388.39	16,208.00	-	16,596.39
Unwinding of finance cost on debenture	432.87	86.10	-	518.97
Unwinding of finance cost on preference shares	1,999.12	-34.90	-	1,964.22
Sub- Total (a)	4,198.25	16,159.70	0.15	20,357.80
Deferred tax liabilities				
Other non current assets- financial guarantee receivable	11.58	0.32	-	11.26
Other current financials assets- advance to employees	0.15	-0.17	-	0.32
Processing charges	18.41	3.39	-	15.02
Financial guarantee receivable	2.40	1.57	-	0.83
Sub- Total (b)	32.54	5.11	-	27.43
Net deferred tax assets (a)-(b)	4,165.71	16,164.81	0.15	20,330.37

	As at 31 March 2018	Recognized in P&L	Recognized in OCI	As at 31 March 2019
Deferred tax assets				
Property, plant and equipment	1,098.02	-321.82	-	776.20
Provisions for employee benefits	14.34	0.87	-0.87	16.08
Trade receivables	519.55	63.46	-	583.01
Other non current financials assets- security deposits	2.20	0.38	-	2.58
Brought forward losses	493.90	-105.51	-	388.39
Unwinding of finance cost on debenture	-	432.87	-	432.87
Unwinding of finance cost on preference shares	-	1,999.12	-	1,999.12
Sub- Total (a)	2,128.01	2,069.37	-0.87	4,198.25
Deferred tax liabilities				
Other non current assets- financial guarantee receivable	12.51	0.93	-	11.58
Other current financials assets- advance to employees	1.48	1.33	-	0.15
Processing charges	7.37	-11.04	-	18.41
Financial guarantee receivable	2.08	-0.32	-	2.40
Sub- Total (b)	23.44	-9.10	-	32.54
Net deferred tax assets (a)-(b)	2,104.57	2,060.27	-0.87	4,165.71

E. Income tax recognised directly in equity

	March 31, 2020			March 31, 2019		
	Before tax	Tax	Net of tax	Before tax	Tax	Net of tax
Deemed capital contribution				-	-	-
	-	-	-	-	-	-

F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	March 31, 2020	Expiry date	March 31, 2019	Expiry date
Expire	8,814.83	2020-21	2,110.61	2020-21
Expire	4,959.29	2021-22	4,959.29	2021-22
Expire	9,871.34	2022-23	9,871.34	2022-23
Expire	3,492.66	2023-24	3,492.66	2023-24
Expire	12.75	2024-25	12.75	2024-25
Expire	16,020.00	2025-26	-	-
Expire	18,590.01	2026-27	-	-
Never expire	2,071.40		-	

44 Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Companies Act, 2013 and pursuant to applicability of the criterions mentioned therein, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy.

It is apprised that the provisions of Section 135 of the Companies Act, 2013 is applicable on the Company in terms of Net worth of the Company during the preceding financial year, i.e. 2018-19 being Rupees Five Hundred Crore or more.

Although the aforesaid provision for CSR was applicable during the FY 2019-20, yet the Average Net Profits of the Company during the three immediately preceding financial years is negative. Therefore, there is no mandatory requirement on the part of the Company to incur any CSR expenditure for FY 2019-20. Till March 31, 2019, the Company was required to spend INR 54.52 lacs on prescribed CSR activities. During the FY 2019-20 Company spent Nil on CSR activities.

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45 Related Party Disclosure

The Disclosure as required by the Indian Accounting Standard - 24 (Related Party Disclosure) are given below:-

(a) List of related parties with whom transactions have taken place and relationships:

a) Holding Company	:	Discovery Estates Pvt. Ltd.
b) Subsidiary Company	:	Crimson Holdings Private Limited
	:	Kayo Developers Private Limited
	:	Valente Real Estates Private Limited
	:	Clean & Green Energy India Private Limited
	:	Samishti Real Estate Private Limited
	:	MGFD Ventures Private Limited
	:	Avinashi Buildtech Private Limited
	:	Cassock Properties Private Limited
	:	Chhavi Buildtech Private Limited
	:	Easter Conbuild Private Limited
	:	Ecstasy Conbuild Private Limited
	:	Ethic Conbuild Private Limited
	:	Gait Propbuild Private Limited
	:	Glimpse Propbuild Private Limited
	:	Godson Propbuild Private Limited
	:	Gran Propbuild Private Limited
	:	Grapeshot Propbuild Private Limited
	:	Lifeline Buildtech Private Limited
	:	Locus Propbuild Private Limited
	:	Mega City Promoters Private Limited
	:	MG Colonizers Private Limited
	:	Pipalashray Estate Private Limited
	:	Prayas Buildcon Private Limited
	:	Spiritual Realtors Private Limited
	:	Sukhda Promoters Private Limited
	:	Tushar Projects Private Limited
c) Associate Company	:	Discovery Holdings Private Limited
	:	MGF Estates Management Private Limited
	:	Emaar MGF Construction Private Limited
	:	MGF Promotions & Events Private Limited
	:	SSP Aviation Limited
	:	VMR Promoters Private Limited
	:	Acreage Builders Private Limited
d) Joint Venture	:	North Delhi Metro Mall Private Limited
e) Enterprises in which key management personnel and their relatives are able to exercise significant influence.	:	MGF Projects Private Limited
	:	MGF Housing & Infrastructure Private Limited
	:	Metroplex Construction Private Limited
	:	MGF Promoters Private Limited
	:	MGF Infotech Private Limited
	:	Emaar MGF Land Limited
	:	Aryan Life Style Private Limited
	:	Emaar MGF Education Private Limited
	:	Radiant Promoters Private Limited
	:	Yashasvi Buildtech Private Limited
	:	MGF Promotions And Events Private Limited
	:	MGF Estates Management Private Limited
	:	Divine Build Tech Private Limited
	:	Pushpak Promoters Private Limited
	:	Shailvi Estates Private Limited
	:	Bewilder Builders Private Limited
	:	MGF Market Place Mall Management Private Limited
	:	Janata Cinemas Properties And Finance Limited
	:	Upper India Hire Purchase Companies Association Limited
	:	Hyline Mediconz Private Limited
	:	MGF Auto Sales Private Limited
	:	Discovery Holdings Private Limited
	:	Grosvenor Estates Private Limited
	:	MGF Securities Private Limited
	:	Cards Services India Private Limited
	:	Gee Gee Holdings Private Limited
	:	Nap Sales Private Limited
	:	MGF Services Limited
	:	India Lease Development Limited
	:	Bahubali Services Limited
	:	Technofab Engineering Limited
	:	The Motor And General Finance Limited
	:	Ram Prakash And Co Pvt Ltd
	:	Vishnu Apartments Pvt. Ltd.
	:	Jayabharat Credit Limited
	:	Loam Realtors Private Limited
	:	Cameo Realtors Private Limited
	:	Alcove Realtors Private Limited
	:	Spike Conbuild Private Limited
	:	Shanti Apparels Manufacturing Co Private Limited
	:	Speckle Realtors Private Limited

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	Namokar Finvest Pvt. Ltd.
	Tabco Real Estate Private Limited
	SSP Buildcon Private Limited
	Meteor Propbuild Private Limited
	Raisin Estate Private Limited
	RJ Propbuild Private Limited
	Samishti Real Estate Private Limited
	Salar Promoters Private Limited
	Amplify Developers Private Limited
	Bounty Builders & Developers Private Limited
	Buildout Real Estate Developers Private Limited
	Companion Builders Private Limited
	Companion Estates Private Limited
	Dedicated Buildcon Private Limited
	Dexterous Buildcon Private Limited
	Ethan Traders Private Limited
	GGN Hills Development Private Limited
	Golf Course Road Development Private Limited
	Kingpin Realtors Private Limited
	Liberate Builders & Developers Private Limited
	Meadows Development Private Limited
	Mohali Residency Development Private Limited
	Optimum Builders Private Limited
	Practical Developers Private Limited
	Practical Estates Private Limited
	Practical Homes Private Limited
	Profusion Real Estate Private Limited
	Prosperous Builders & Developers Private Limited
	Sector 76 Development Private Limited
	Sedate Realtors Private Limited
	Sprout Tradecom Private Limited
	Virtuous Builders Private Limited
	Welfare Real Estate Developers Private Limited
	Windfall Builders & Developers Private Limited
	Zane Devcon Private Limited
	Dua Buildtech Private Limited
	Yog Buildtech Private Limited
	Zoey Traders Private Limited
f) Enterprises in which holding/subsidiary are able to exercise significant influence.	Abaya Apparels Pvt.Ltd.
	Aparna Buildcon Pvt.Ltd.
	Aryan Life Style Pvt. Ltd.
	Blossom Conbuild Pvt.Ltd.
	Chirau Propbuild Pvt.Ltd.
	Elation Real Estate Pvt.Ltd.
	Ethan Traders Pvt.Ltd.
	Extol Buildcon Pvt.Ltd.
	Initia Solutions Pvt.Ltd.
	Gutsy Builders Pvt.Ltd.
	Pavni Developers Private Limited
	MGF Mall Management
	MGF Event Management
	Logistic Buildtech Pvt Ltd
	Vairagi Projects Private Limited
	Manbhav Projects Pvt.Ltd.
	MGF Automobiles Ltd. (Sale of Shares)
	MGF Housing & Infrastructure Pvt. Ltd.
	Sahayog Buildtech Private Limited
	MGF Infotech Pvt Ltd
	Sojanya Promoters Private Limited
	MGF Promoters Pvt Ltd
	Motive Constructions Private Limited
	Salar Promoters Pvt.Ltd.
	Soumya Promoters Pvt.Ltd.
	SSP Developers Pvt. Ltd.
	The Vilas Conominium Association
	MGF Vehicle Sales Private Limited
	Sareen Estates Private Limited
	Yashoda Promoters Pvt.Ltd.
	Dexterity Buildtech Private Limited
	Nanny Infrastructure Private Limited
	Columbia Holdings Private Limited
	Gyandarshani Exim Private Limited
	Moonlight Continental Private Limited
	Gadokhar Real Estate Private Limited
	Karishma Buildtech Private Limited
	Power Buildtech Private Limited
	Barden Buildtech Private Limited
	Valente Real Estate Private Limited
	Zack Estates Pvt.Ltd.
g) Key Management Personnel	

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Director	:	Shravan Gupta
Director	:	Shilpa Gupta (till April 1, 2019)
Director	:	Arun Mitter (till December 27, 2019)
Chief Executive Officer (CEO)	:	Rakshit Jain
Chief Financial Officer (CFO)	:	Vijay Kumar Sharma
Company Secretary	:	Nupur Jain
Relatives of KMP	:	Siddharth Gupta

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(b) Details of related party transactions are as below:

(Amount in Rupees lacs)

Particulars	Holding Company		Subsidiary Company		Associate Company		Joint Venture		Enterprises in which director having significant influence		Enterprises where holding/subsidiary having significant		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Amount paid on behalf of associate	-	-	-	-	-	3.94	-	-	-	-	-	-	-	-
Interest expense on Intercorporate deposit	-	-	-	-	-	-	-	-	-	58.37	-	-	-	-
Intercorporate deposit taken	199.91	288.45	-	-	93.44	101.37	-	-	125.43	-	-	-	-	-
Intercorporate deposit repaid	128.93	437.20	-	-	88.72	148.00	-	-	473.60	-	-	-	-	-
Investment made	-	-	2.00	-	-	-	-	-	-	-	-	-	-	-
Reversal of sale	9.94	244.61	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses for the expenses done on behalf of related party	-	-	-	-	-	-	-	-	13.76	11.83	0.93	1.61	83.58	79.29
Expenses incurred by related party on behalf of company	-	-	-	-	-	-	-	-	-	-	-	0.40	5.32	4.42
Intercorporate deposit given	162.74	-	12.48	1,218.89	37.75	30.38	-	-	411.58	2,142.90	2,356.75	7,951.38	-	-
Intercorporate deposit received back	58.42	-	32.53	300.00	35.22	44.00	-	70.00	235.52	751.47	3,028.47	1,402.08	-	-
Advance given to staff	-	-	-	-	-	-	-	-	-	-	-	-	2.21	2.00
Electricity charges paid	-	-	-	-	-	-	-	-	3.36	2.70	-	-	-	-
Sale made	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional charges	-	-	-	0.25	-	-	-	-	-	0.45	-	0.75	-	724.99
Investment in Debentures	-	-	-	-	-	-	-	2,260.00	-	-	-	-	-	-
Sale of Investments	-	-	-	-	-	-	-	2,292.71	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	66.00	66.00	-	-	-	-
Rent Income	-	-	-	-	-	-	-	-	-	-	-	11.70	-	-
Loan taken	-	-	-	-	-	-	-	-	-	-	-	-	-	0.58
Amount written off	-	-	-	-	-	-	-	-	-	-	-	78.26	-	-
Advance repaid	-	-	-	-	-	-	-	-	-	-	-	0.62	-	-
Salary paid to KMPs	-	-	-	-	-	-	-	-	-	-	-	-	18.62	39.14
Directors Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	79.51	43.38
Outstanding balance														
OCL-Booking Advances from Customers	45.50	45.50	2,281.28	2,281.28	-	300.00	-	-	16.64	16.64	40.20	287.70	-	-
OCL-Other Payable	-	-	-	-	-	-	-	-	-	2.70	448.49	450.62	2.62	0.58
OCFL-Due to Joint Ventures	-	-	-	-	-	-	-	-	924.63	891.47	479.73	790.76	-	-
OCFL-Trade Payable for Services	-	-	-	-	-	-	-	-	12.82	-	1.65	1.65	-	-
Current borrowings_Directors	-	-	-	-	-	-	-	-	-	-	-	-	42.40	42.40
Current borrowings_Inter Corporate Deposit (Interest free)	381	309.85	-	-	100.78	96.06	-	-	-	348.17	15.00	15.00	-	-
Current borrowings_Inter Corporate Deposit bearing Interest	-	-	-	-	-	-	-	-	777.51	777.39	-	-	-	-
Security deposit receivable	-	-	-	-	-	-	-	-	2,389.36	2,389.36	-	-	-	-
Imprest balance	-	-	-	-	-	-	-	-	-	-	-	-	-	6.16
Intercorporate deposit receivable	339.58	235.26	5,062.87	5,082.92	291.62	289.09	-	-	2,768.89	2,592.83	19,879.55	20,551.27	-	-
Other receivables	-	-	-	-	11.63	10.84	-	-	2,010.89	2,000.90	461.49	461.49	-	-
Booking Advance	-	-	-	-	2,630.00	2,630.00	-	-	-	-	-	-	-	-
Staff Advance	-	-	-	-	-	-	-	-	-	-	-	-	4.21	2.60
Adavance against land	-	-	-	-	-	-	-	-	-	-	-	-	2,197.36	2,197.36
Trade Payable -Project	-	-	-	-	-	-	-	-	269.20	269.20	-	-	-	-
Trade Receivable	-	-	-	-	-	-	-	-	-	-	124.74	188.85	-	-

Terms and conditions of transactions with the related parties:

i. The terms and conditions of the transactions with key management personnel were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

ii. All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured.

iii. For the year ended March 31, 2020 the Company has not recorded any impairment of receivables relating to amounts owed by related party (March 31, 2019: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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Notes to the financial statements for the year ended March 31, 2020

(Amount in Rupees lacs)

46. Fair value measurement and financial instruments

a. Financial instruments - by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilties, including their levels in the fair value hierarchy.

i. As on 31 March 2019

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments	-	-	15,494.34	15,494.34	-	-	-
Other financial assets	-	-	178.55	178.55	-	-	-
Current							
Investments	-	-	3,396.93	3,396.93	-	-	-
Trade receivables	-	-	671.68	671.68	-	-	-
Cash and cash equivalents	-	-	2,142.94	2,142.94	-	-	-
Bank balances other than Cash and Cash equivalents	-	-	836.66	836.66	-	-	-
Other financial assets	-	-	2,28,543.01	2,28,543.01	-	-	-
Total	-	-	2,51,264.11	2,51,264.11			
Financial liabilities							
Non-current							
Borrowings	-	-	4,149.25	4,149.25	-	-	-
Current							
Borrowings	-	-	12,365.28	12,365.28	-	-	-
Trade payables	-	-	8,966.60	8,966.60	-	-	-
Other current financial liabilities	-	-	1,32,358.16	1,32,358.16	-	-	-
Total	-	-	1,57,839.29	1,57,839.29			

ii. As on 31 March 2020

(Amount in Rupees lacs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments	-	-	15,890.36	15,890.36	-	-	-
Other financial assets	-	-	483.27	483.27	-	-	-
Current							
Investments	-	-	40.55	40.55	-	-	-
Trade receivables	-	-	880.18	880.18	-	-	-
Cash and cash equivalents	-	-	257.11	257.11	-	-	-
Bank balances other than Cash and Cash equivalents	-	-	251.66	251.66	-	-	-
Other financial assets	-	-	2,29,982.71	2,29,982.71	-	-	-
Total	-	-	2,47,785.84	2,47,785.84			
Financial liabilities							
Non-current							
Borrowings	-	-	4,016.57	4,016.57	-	-	-
Current							
Borrowings	-	-	12,269.83	12,269.83	-	-	-
Trade payables	-	-	9,048.22	9,048.22	-	-	-
Other current financial liabilities	-	-	1,34,950.15	1,34,950.15	-	-	-
Total	-	-	1,60,284.77	1,60,284.77			

Level 1: It includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The Company's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is smiliar to the carrying value as there is no significant differences between carrying value and fair value.

The fair value for security deposits were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Valuation processes
The Management performs the valuations of financial assets and liabilities required for financial reporting purposes on a periodic basis, including level 3 fair values.

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There are no transfers between level 1 and level 2 during the year. There are no financial assets/ liabilities measured at fair value/ amortised cost for which level 1 and level 2 inputs have been used. Accordingly, disclosures related to level 1 and 2 inputs are not applicable.

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.
The Company has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

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Notes to the financial statements for the year ended March 31, 2020 (Amount in Rupees lacs)

b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	March 31, 2020	March 31, 2019
Investments	15,930.91	18,891.27
Trade receivables	880.18	671.68
Cash and cash equivalents	257.11	2,142.94
Bank balances other than Cash and Cash equivalents	251.66	836.66
Other financial assets	2,30,465.98	2,28,721.56

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.
The Company's credit risk is primarily to the amount due from customers. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic enviorment in which it operates and the Company manages its Credit risk through credit approvals, establishing credit limits and continuosly monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.
On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance, the company estimates amounts based on the business environment in which the Company operates, and management considers that the trade receivables are in default (credit impaired) when counterparty fails to make payments for receivable more than 180 days past due. However the Company based upon historical experience determine an impairment allowance for loss on receivables.

The Company's exposure to credit risk for trade receivables are as follows:

Particulars	Gross carrying amount	
	March 31, 2020	March 31, 2019
1-90 days past due	338.45	59.64
90-180 days past due	4.42	9.40
180-270 days past due	5.59	-
270-360 days past due	-	-
more than 360 days past due	2,668.00	2,845.05
	3,016.46	2,914.09

In case of payments due from related parties there is no default as there is insignificant credit risk. This definition of default is determined by considering the business environment in which entity operates and othe macro-economic factors. Further, the Company does not anticipate any material credit risk of any of its other receivables.

The Company believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and analysis of customer credit risk.

Movement in the allowance for impairment in respect of trade receivables:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning	2,242.40	1,571.42
Impairment loss recognised / (reversed)	-106.13	670.98
Amount written off	-	-
Balance at the end	2,136.27	2,242.40

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b. Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

The Company believes that its liquidity position, including total cash (including bank deposits under lien and excluding interest accrued but not due) of INR 257.11 lacs as at 31 March 2020 (31 March 2019: INR 2142.94 lacs) and the anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

The Company's liquidity management process as monitored by management, includes the following:
- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

Exposure to liquity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2020	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non-current borrowing	4,016.57	-	1,674.00	2,342.57	4,016.57
Current borrowing	12,269.83	12,269.83	-	-	12,269.83
Trade payables	9,048.22	9,048.22	-	-	9,048.22
Current maturities of Loans from Financial Institution	277.72	277.72	-	-	277.72
NCD 22600	69,580.00	69,580.00	-	-	69,580.00
Premium on NCD 2260	2,589.55	2,589.55	-	-	2,589.55
Finance lease obiligations (Jasola)	6,926.94	6,926.94	-	-	6,926.94
Interest accured and not due on NCD 2260	23,073.92	23,073.92	-	-	23,073.92
Interest accrued and due on EDC/IDC payable	5,953.30	5,953.30	-	-	5,953.30
Advances received towards collaboration agreements	8,450.00	8,450.00	-	-	8,450.00
Security Deposits from Customers	1,147.83	1,147.83	-	-	1,147.83
Security Deposits - Others	7,000.00	7,000.00	-	-	7,000.00
Due to Joint Ventures	9,814.80	9,814.80	-	-	9,814.80
Trade Payable for Capital Goods	136.09	136.09	-	-	136.09
Total	1,60,284.77	1,56,268.20	1,674.00	2,342.57	1,60,284.77

As at 31 March 2019	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non-current borrowing	4,149.25	-	1,122.39	3,026.86	4,149.25
Current borrowing	12,365.28	12,365.28	-	-	12,365.28
Trade payables	8,966.60	8,966.60	-	-	8,966.60
Current maturities of Loans from Financial Institution	219.30	219.30	-	-	219.30
NCD 22600	69,580.00	69,580.00	-	-	69,580.00
Premium on NCD 2260	2,589.55	2,589.55	-	-	2,589.55
Finance lease obiligations (Jasola)	6,926.94	6,926.94	-	-	6,926.94
Interest accured and not due on NCD 2260	23,073.92	23,073.92	-	-	23,073.92
Interest accrued and due on EDC/IDC payable	5,953.30	5,953.30	-	-	5,953.30
Advances received towards collaboration agreements	8,450.00	8,450.00	-	-	8,450.00
Book Overdebts	35.22	35.22	-	-	35.22
Security Deposits from Customers	1,013.35	1,013.35	-	-	1,013.35
Security Deposits - Others	7,000.00	7,000.00	-	-	7,000.00
Due to Joint Ventures	7,380.49	7,380.49	-	-	7,380.49
Trade Payable for Capital Goods	136.09	136.09	-	-	136.09
Total	1,57,839.29	1,53,690.04	1,122.39	3,026.86	1,57,839.29

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B. Financial risk management (continued)

III. Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, the Company mainly has exposure to two type of market risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Other price risk

The company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the company's senior management on a regular basis. The company's Board of Directors reviews and approves all equity investment decisions.

Since the entity's exposure to unlisted equity securities is limited to subsidiary/associate Company and it has opted to measure the same at cost accordingly disclosure related to sensitivity analysis has not been provided.

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B. Financial risk management (continued)

iii. Market risk

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term and short term borrowings with variable interest rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk
The Company's interest rate risk arises majorly from the term loans and cash credit from banks carrying floating rate of interest. These obligations expose the Company's cash flow to interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:
The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(Amount in Rupees lacs)

Variable-rate instruments	As at 31 March 2020	As at 31 March 2019
Borrowing (Non current)	4,016.57	4,149.25
Current maturities of borrowings	277.72	219.30
Borrowing (current)	12,269.83	12,365.28
Total	16,564.12	16,733.83

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or (loss)		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks				
For the year ended 31 March 2020	-24.21	24.21	-17.92	17.92
For the year ended 31 March 2019	-23.14	23.14	-15.49	15.49

47 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

(Amount in Rupees lacs)

Particulars	As at 31 March 2020	As at 31 March 2019
Borrowings	16,564.12	16,733.83
Less : Cash and cash equivalent	257.11	2,142.94
Adjusted net debt (A)	16,821.23	18,876.77
Total equity (B)	2,41,849.10	2,25,219.12
Adjusted net debt to adjusted equity ratio (A/B)	6.96%	8.38%

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48 Incorporation pursuant to demerger order

(a) The National Company Law Tribunal (NCLT) vide its order dated July 16, 2018 approved the arrangement as embodied in the Scheme of arrangement ("Scheme") between Emaar MGF Land Limited (the Demerged Company) and MGF Developments Limited (the resulting company) and their respective shareholders and creditors and the same has been filed with the Registrar of Companies on July 31, 2018. The scheme is effective from September 30, 2015 ("the appointed date"). Accordingly, all the assets, rights, powers, liabilities and duties of the demerged undertaking are incorporated in the resulting Company from the appointed date.

(b) Pursuant to the Scheme, the Company recognised the assets and liabilities of the demerged undertaking at the respective book values as appearing in the books at the close of the day immediately preceding the appointed date. The details of assets and liabilities demerged are as follows:

As on September 30, 2015	*(Amount in Rupees lacs)*
Tangible assets	41,590.60
Capital work-in-progress	9,766.02
Non-current investments	11,241.48
Long-term loans and advances	2,299.16
Inventories	74,876.28
Trade receivables	1,750.90
Cash and bank balances	3,873.11
Short-term loans and advances	1,97,408.83
Other current assets	3,553.22
Total assets (A)	3,46,359.60
Short-term borrowings	6,196.61
Trade payables	4,524.98
Other liabilities	81,360.54
Short-term provisions	88.50
Total liabilities (B)	92,170.63
Net assets (A-B)	2,54,188.97

(c) The excess of assets over liabilities as on September 30, 2015 has been recognised as capital reserve of Rs. 254,188.97 Lacs

(d) The accounting treatment as prescribed in Scheme is not in line with Appendix A to Indian Accounting Standards (Ind As) 10 according to which the Company should have recognised the assets and liabilities of demerged undertaking at the respective fair values on the day it approved by relevant authority i.e. NCLT. But pursuant to the clarifications released by Ind AS Transition Facilitation Group (ITFG) the accounting treatment required under an order of court or tribunal (or other similar authority) overrides the accounting treatment that would otherwise be required to followed in respect of the transaction and it mandatory for the company concerned to follow the treatment as per the order of the court/ tribunal. Considering the facts as stated above, the Company has accounted this transaction in accordance with scheme approved by NCLT.

(e) The Scheme of Arrangement (Demerger) under Section 391-394 of the Companies Act, 1956 was approved by the Equity Shareholders, Secured Creditors (including secured debenture holders) and Un-secured Creditors (including un-secured debenture holders) of Emaar MGF Land Limited ("Demerged Company") and MGF Developments Limited ("Resulting Company") and that the said demerger was passed by the Hon'ble National Company Law Tribunal (NCLT) vide its order dated July 16, 2018.

Further, on June 3, 2019, the Resulting Company had filed an application for enforcement of the Demerger Scheme before the NCLT under Section 231 of the Companies Act, 2013. Implementation of Demerger Scheme was not limited to guarantee(s) and documents/ agreement to transfer the assets. Such application, inter-alia seeks directions of NCLT to ask the Demerged Company to execute/perform various steps for implementation of Scheme. Further on November 19, 2019, NCLT passed an order for appointment of Hon'ble Justice D.K. Jain (Rtd.) for such implementation of scheme. Thereafter, on January 27, 2020, the Demerged Company categorically stated its unwillingness to continue and abandon the proceedings before Hon'ble Justice D.K. Jain (Rtd.) and therefore, the Resulting Company filed a fresh application for execution of the Demerger Scheme before the NCLT on February 01, 2020.

The matter will be further listed on December 17, 2020 and December 18, 2020 before NCLT.

49 Estimation uncertainty relating to COVID-19 outbreak

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the Financial Statements in determining the impact on various elements of its Financial Statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company has concluded that, as on current date, the impact of COVID-19 is not material on the Company's business and financial position. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these Financial Statements.

50 These financial statements were authorized for issue by Board of Directors on December 4, 2020.

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51 The Company has reclassified/regrouped previous year figures where necessary to conform to the current year's classification.

As per our report of even date
For S A M P R K & ASSOCIATES
Chartered Accountants
Firm Registration No : 013022N

CA Keshav Kumar
(Partner)
Membership Number: 088271

Place: New Delhi
Date : December 4, 2020

For and on behalf of Board of Directors of
MGF Developments Limited

Rakshit Jain
Director & CEO
DIN : 00607288

Azhar Quadir
(Director)
DIN - 07287027

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place : New Delhi
Date : December 4, 2020