DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company is pleased to present its 25th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2021.

Financial Performance

The highlights of financial performance of your Company (on standalone basis) for financial year ended on March 31, 2021 are as under:

(Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Revenue from Operations	**9,781.79**	**3,296.60**
Other Income	**2,237.46**	**1,602.06**
Total Revenue	**12,019.25**	**4,898.66**
Total Operating Expenditure excluding Interest, Depreciation and Amortization	**6,589.54**	**3,435.2**
Finance Cost	**497.56**	**946.22**
Depreciation and Amortization expenses	**46.31**	**51.92**
Total Expense	**7,133.41**	**4,433.34**
Profit / (Loss)	**4,885.84**	**465.32**
Net Worth	**2,43,079.04**	**2,41,849.10**
Debt Equity Ratio	**0.69**	**0.70**
Liquidity Ratio		
(i) Current Ratio	**1.93**	**1.88**
(ii) Quick Ratio	**1.49**	**1.45**

As reported above, the total revenue during the financial year ended on March 31, 2021, stood at Rs. 9,781.79 (amount in Rupees lacs) as compared to Rs. 3296.60 (amount in Rupees lacs) during the previous financial year. The Company earned profit of Rs. 4,885.84 (amount in Rupees lacs) during the financial year under review as compared to profit of Rs. 465.32 (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. 2,41,849.10 (amount in

Rupees lacs) to Rs. 2,43,079.04 (amount in Rupees lacs). The Company is having very strong financial health and expected long-term sustainability.

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, 2021. However, Emaar Holding II had filed a petition with respect to Oppression and Mismanagement against the Company vide CP No. 173 of 2019 dated November 19, 2019. The said petition does not have any merit and is a false allegation against the Company and its Promoters, therefore, it does not affect the financial position of the Company.

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.

The matter will be further listed on October 20, 2021 before NCLT.

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.

Further, the Directorate of Enforcement (ED), Government of India, carried out a search and seizure operation on our Company from June 24, 2020 to June 28, 2020, and in the course of above operation, many of the computer servers, personal computers, mobiles and other electronic devices, including back up etc. were seized by the department officials and it is still in the custody of the authority.

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, 2021.

Share Capital

During the year, there has been no change in the Paid-Up Share Capital of the Company and the Paid-Up Share Capital during the year has been 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.

However, after the end of current financial year and as on the date of this report, viz. October 11, 2021 and in pursuance of Scheme of Arrangement ("Scheme") sanctioned by the Hon'ble National Company Law Tribunal ("NCLT") between Emaar MGF Land Limited (Now, Emaar India Limited) ("Demerged Company") and MGF Developments Limited ("Resulting Company") ("the Company") vide Order dated July 16, 2018, the Company had allotted 19,73,484 (Nineteen Lakh Seventy-Three Thousand Four Hundred and Eighty-Four) Equity Shares ("New Equity Shares") at a face value of Rs. 10 each amounting to Rs. 1,97,34,840/- (Rupees One Crore Ninety-Seven Lakh Thirty-Four Thousand Eight Hundred and Forty) to the Shareholders of the Demerged Company whose names appear in the Register of Members of the Demerged Company as on the Record Date, i.e., September 14, 2018, as per the entitlement ratio of 9:416, i.e., Nine (9) Equity Share of Rupees Ten (Rs. 10) each of the Resulting Company, credited as fully paid-up for every Four Hundred Sixteen (416) Equity Shares of Rupees Ten (Rs. 10) each, fully paid-up held in the Demerged Company.

In view of the above, the Paid-Up Share Capital of the Company has increased from 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) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 61,73,85,540/- (Rupees Sixty-One Crore Seventy-Three Lac Eighty-Five Thousand Five Hundred and Forty Only) divided into 6,17,38,554 (Six Crore Seventeen Lac Thirty-Eight Thousand Five Hundred and Fifty-Four) 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). However, as on the date of this report, the Master Data of the Company is not updated in the record of the 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). Further Company shall again file reminder to concerned authority for its necessary action to update the master data of the Company.

Subsidiaries, Joint Ventures and Associates

The Company has 25* Subsidiaries and 7* Associate Companies as on 31st March, 2021. We have, in accordance with Section 129(3) of the Companies Act, 2013 prepared consolidated financial statements and all its subsidiaries, which form part of the Annual Report, through its holding company.

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 19 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 cease to be Subsidiary of the Company during the financial year 2020-21:

Sr. No.	Name of the Company
1	M/s MG Colonizers Private Limited

Directors / Key Managerial Personnel

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

1. Ms. Sheveta Verma and Mr. Ashu Verma resigned from the directorship of the Company w.e.f. July 01, 2020.

2. Mr. Azhar Quadir was appointed as a Director (in the capacity of Independent Director) on September 01, 2020.

3. Mr. Shashwat Gaur was appointed as a Director (in the capacity of Independent Director) on February 15, 2021.

Meetings of Board / Committees

Details of the meetings of Board / Committees of the Company, held during the financial year 2020-21 are as under:

S. No.	Date of Meetings			
	Board Meetings	Audit Committee Meetings	CSR Committee Meetings	Nomination & Remuneration Committee
1	April 1, 2020	September 18, 2020	December 4, 2020	February 05, 2021
2	June 8, 2020	December 4, 2020	-	-
3	September 18, 2020	-	-	-
4	October 5, 2020	-	-	-
5	November 5, 2020	-	-	-
6	November 10, 2020	-	-	-
7	December 4, 2020	-	-	-
8	December 17, 2020	-	-	-
9	December 23, 2020	-	-	-
10	January 12, 2021	-	-	-
11	February 8, 2021	-	-	-
12	February 16, 2021	-	-	-
13	March 5, 2021	-	-	-
14	March 10, 2021	-	-	-
15	March 30, 2021	-	-	-
Total No. of Meetings	**15**	**2**	**1**	**1**

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. Rakshit Jain	14	2	1	1
Ms. Sheveta Verma	2	-	-	-
Mr. Ashu Verma	2	-	-	-
Mr. Azhar Quadir	13	2	1	1
Mr. Shashwat Gaur	4	-	-	-

<u>Directors' Responsibility Statement</u>

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2021, 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, 2021 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 Ms. Sheveta Verma and Mr. Ashu Verma resigned from the directorship of the Company, hence, they ceased to be the members of the Committee.

During the year, the Committee comprises of Mr. Azhar Quadir (Chairman), Mr. Shashwat Gaur and Mr. Rakshit Jain as the members of the Committee.

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 Ms. Sheveta Verma and Mr. Ashu Verma resigned from the directorship of the Company, hence, they ceased to be the members of the Committee.

During the year, the Committee comprises of Mr. Rakshit Jain (Chairman), Mr. Azhar Quadir and Mr. Shashwat Gaur as the members of the Committee.

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

Auditors

1. Statutory Auditors

M/s. Samprk & Associates, Chartered Accountants (FRN: 013022N), were appointed as Statutory Auditor of the Company for 5 (five) years from F.Y. 2020-21 to F.Y. 2024-25.

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 2021-22.

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 2020–21 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.

Also, the Secretarial Auditor observed in their Report that the Company had only 1 (One) Independent Director on the Board from September 01, 2020 to February 14, 2021 and the Company was unable to fulfil the mandatory requirement of having 2 (Two) Independent Directors on the Board of the Company, due to unanticipated delay and difficulty in finding an appropriate and qualified Independent Director. However, the Company complied with the said provisions of the Companies Act, 2013 on February 15, 2021 by appointing Mr. Shashwat Gaur as an Independent Director on the Board of the Company.

Statutory Auditors' Report

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

Annual Return

The web link of the annual return, in accordance with Section 134(3)(a) of the Companies Act 2013 can be accessed on the website of the Company at URL: https://mgfgroup.in/images/annual-return/MGFD_AnnualReturn2021.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 2020-21, 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 during the Financial Year (FY) 2020-21 in terms of Net worth of the Company during the preceding FY 2019-20, being Rs. 24,18,49,10,000/-.

Although the aforesaid provision for CSR was applicable during the FY 2020-21, yet the Average Net Profits of the Company during the three immediately preceding financial years is negative. Therefore, there is no requirement to incur any CSR expenditure for FY 2020-21 and the Company has not incurred any expenditure on CSR activities during FY 2020-21.

Annual Report on CSR is enclosed and marked as **Annexure - 3.**

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, 2021	March 31, 2020
Foreign Exchange Earnings	-	742.35
Foreign Exchange Outgo	2,381.67	469.16

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/-	**Sd/-**
Rakshit Jain	**Shashwat Gaur**
Director and Chief Executive Officer	**Director**
DIN: 00607288	**DIN:** 09047030
Address: C-14, First Floor, Green Park Extension, New Delhi-110016	**Address:** S3-510, Saraswati Apartment, Vasant Kunj, South West Delhi - 110070

Date: October 11, 2021
Place: New Delhi

FORM AOC-1

Annexure -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	-	(3,76,523)	23,477	36,457	12,980	-	-	18,149	(551)	18,700
2	Kayo Developers Private Limited	U45400DL2007PTC170833	2(87)	Subsidiary	9,999	-	100	1,00,000	-	11,82,337	12,82,337	35,00,89,248	34,88,06,911	-	-	9,24,871	2,41,040	6,83,831
3	Samishti Real Estate Private Limited	U45400DL2014PTC269821	2(87)	Subsidiary	9,999	-	100	1,00,000	-	22,47,445	23,47,445	10,75,25,275	10,51,77,830	-	35,58,750	35,37,068	6,42,054	28,95,014
4	MGFD Ventures Private Limited	U74999DL2018PTC329933	2(87)	Subsidiary	9,999	-	100	1,00,000	-	(6,56,673)	(5,56,673)	8,83,15,563	8,88,72,236	8,82,60,870	-	(17,800)	-	(17,800)
5	Clean and Green Energy India Private Limited	U90009DL2019PTC350958	2(87)	Subsidiary	9,999	-	100	1,00,000	-	(36,374)	63,626	81,326	17,700	-	-	(20,446)	-	(20,446)
6	Valente Real Estates Private Limited	U70102DL2014PTC268972	2(87)	Subsidiary	9,999	-	100	1,00,000	-	(7,66,147)	(6,66,147)	2,56,63,679	2,63,29,826	61,200	-	(9,15,438)	-	(9,15,438)
7	Avinashi Buildtech Private Limited	U70109DL2006PTC152669	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(1,42,334)	(42,334)	6,45,66,200	6,46,08,534	-	-	(37,429)	-	(37,429)
8	Cassock Properties Private Limited	U45201DL2006PTC147702	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(4,04,475)	(3,04,475)	2,87,64,650	2,90,69,125	-	-	(24,495)	-	(24,495)
9	Chhavi Buildtech Private Limited	U70104DL2006PTC152850	2(87)	Subsidiary	10,000	-	100	1,00,000	-	1,06,58,681	1,07,58,681	34,16,68,535	33,09,09,854	-	-	(34,509)	3,48,133	(3,82,642)
10	Easter Conbuild Private Limited	U45400DL2007PTC163140	2(87)	Subsidiary	20,000	-	100	2,00,000	-	1,09,51,062	1,11,51,062	1,14,59,299	3,08,237	-	-	(35,325)	-	(35,325)
11	Ecstasy Conbuild Private Limited	U45400DL2007PTC163144	2(87)	Subsidiary	20,000	-	100	2,00,000	-	1,09,49,482	1,11,49,482	1,14,56,289	3,06,807	-	-	(35,291)	-	(35,291)
12	Ethic Conbuild Private Limited	U45400DL2007PTC163096	2(87)	Subsidiary	20,001	-	100	2,00,000	-	2,25,11,705	2,27,11,705	3,79,06,541	1,51,94,836	-	-	(35,822)	-	(35,822)
13	Gait Propbuild Private Limited	U45200DL2007PTC157825	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,43,162)	(2,43,162)	4,44,89,444	4,47,32,606	-	-	(38,196)	-	(38,196)
14	Glimpse Propbuild Private Limited	U45200DL2007PTC157927	2(87)	Subsidiary	10,000	-	100	1,00,000	-	17,73,268	18,73,268	3,33,61,516	3,14,88,248	-	-	(32,251)	2,432	(34,683)
15	Godson Propbuild Private Limited	U45200DL2007PTC158082	2(87)	Subsidiary	20,000	-	100	2,00,000	-	1,89,07,027	1,91,07,027	1,91,25,339	18,312	-	-	(1,284)	-	(1,284)
16	Gran Propbuild Private Limited	U45200DL2007PTC157694	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,90,008)	(2,90,008)	4,37,82,496	4,40,72,504	-	-	(36,269)	-	(36,269)
17	Grapeshot Propbuild Private Limited	U45200DL2007PTC158617	2(87)	Subsidiary	20,000	-	100	2,00,000	-	2,04,35,063	2,06,35,063	2,68,71,605	62,36,542	-	-	(34,058)	-	(34,058)
18	Lifeline Build Tech Private Limited	U45201DL2006PTC147624	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(3,48,16,605)	(3,47,16,605)	23,00,00,000	26,47,16,605	-	-	(42,048)	-	(42,048)
19	Locus Propbuild Private Limited	U45200DL2007PTC159219	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(5,02,503)	(4,02,503)	2,77,01,792	2,81,04,295	-	-	(35,507)	-	(35,507)
20	Mega City Promoters Private Limited	U45201DL2004PTC128387	2(87)	Subsidiary	65,000	-	100	6,50,000	-	(44,00,630)	(37,50,630)	26,23,92,663	26,61,43,293	-	-	(40,993)	-	(40,993)
21	Pipalashray Estate Private Limited	U74999DL2007PTC160053	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(25,063)	74,937	6,32,27,807	6,31,52,870	-	-	(33,996)	-	(33,996)
22	Prayas Buildcon Private Limited	U45201DL2006PTC147831	2(87)	Subsidiary	1,00,000	-	100	10,00,000	-	(56,85,969)	(46,85,969)	1,46,52,02,731	1,46,98,88,700	-	-	(5,26,851)	-	(5,26,851)
23	Spiritual Realtors Private Limited	U45201DL2006PTC147532	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(75,66,456)	(74,66,456)	4,06,89,033	4,81,55,489	-	-	(35,197)	-	(35,197)
24	Sukhda Promoters Private Limited	U70109DL2006PTC151924	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(6,92,748)	(5,92,748)	5,96,29,990	6,02,22,738	-	-	(33,401)	-	(33,401)
25	Tushar Projects Private Limited	U70101DL2006PTC148782	2(87)	Subsidiary	10,000	-	100	1,00,000	-	(10,22,165)	(9,22,165)	5,49,33,436	5,58,55,601	-	-	(23,931)	-	(23,931)
26	Emaar MGF Construction Private Limited	U70109DL2006PTC154556	2(6)	Associate	21,88,102	-	39.89	54,853	-	2,29,160	2,84,013	28,24,674	25,40,661	-	-	(15,661)	-	(15,661)
27	Acreage Builders Private Limited	U70101HR2010PTC047012	2(6)	Associate	1,64,380	-	30.91	54,48,340	-	2,05,83,28,619	2,06,37,76,959	2,37,46,35,716	31,08,58,757	2,27,82,82,481	-	(2,07,00,960)	-	(2,07,00,960)
28	Discovery Holdings Private Limited	U67110DL1998PTC093629	2(6)	Associate	49,850	-	50	10,00,000	-	5,45,94,209	5,55,94,209	5,65,61,140	9,66,931	-	4,77,14,611	(1,23,30,377)	5,909	(1,23,36,286)
29	VMR Promoters Private Limited	U70109DL2006PTC152110	2(6)	Associate	25,00,000	-	50	5,00,00,000	-	(59,70,049)	4,40,29,951	7,52,11,116	3,11,81,165	-	-	(19,850)	-	(19,850)
30	SSP Aviation Limited	U45201DL2003PLC118351	2(6)	Associate	5,20,300	-	26.02	2,00,00,000	-	(46,19,19,467)	(44,19,19,467)	42,48,74,573	86,67,94,040	9,96,08,450	-	(6,24,389)	-	(6,24,389)
31	MGF Promotions & Events Private Limited	U74999DL2011PTC221030	2(6)	Associate	50,000	-	50	10,00,000	-	2,17,96,327	2,27,96,327	2,54,27,715	26,31,388	-	11,62,000	9,50,111	1,37,956	8,12,155
32	MGF Estates Management Private Limited	U74140DL2011PTC221910	2(6)	Associate	50,000	-	50	10,00,000	-	(41,96,332)	(31,96,332)	11,80,30,288	12,12,26,620	-	14,43,10,601	1,60,50,148	38,07,723	1,22,42,425

ANNEXURE TO THE DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANICAL YEAR ENDED 31st MARCH, 2021

[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, 2021**, 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, 2021** 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.

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 Samprk & Associates was reappointed as Statutory Auditors of the Company in its AGM held on 31st December, 2020 for a term of Five years starting from 1st April 2020 to 31st March, 2025, for which the Company has delayed filed E-form ADT-1 as on 25th February, 2021.

(2) The Company has delayed in filing E-form AOC-4 XBRL for F.Y. 2018-19 with ROC dated 13th May, 2020, but under the CFSS Scheme notified by MCA. Further E-form AOC-4 XBRL for F.Y. 2019-20 has not been filed yet as on the date of signing of this report.

(3) The Company has delayed in filing E-form MGT-7 for F.Y. 2018-19 with ROC dated 20th May, 2020, but under the CFSS Scheme notified by MCA. Further, the Company has also delayed in filing E-form MGT-7 for F.Y. 2019-20 with ROC dated 18th June, 2021.

(4) The Company has delayed in filing E-form MGT-14 pursuant to Section 179(3) (Approval Annual Accounts for the Year Ended 31st March, 2020) with ROC dated 9th February, 2021.

(5) The Company has delayed in filing E-form DIR-12, in which Mr. Azhar Quadir appointed as an Independent Director w.e.f. 01st September, 2020, with ROC dated 29th January 2021.

(6) The Company has delayed in filing E-form DIR-12, in which Ms. Sheveta Verma and Mr. Ashu Verma resigned as an additional Director w.e.f. 01st July, 2020, with ROC dated 27th May 2021.

(7) The Company has delayed in filing E-form PAS-6 (Reconciliation of Share Capital Audit Report (Half Yearly), For the Period of 1st April 2019 to 30th September, 2019; 1st October, 2019 to 31st March, 2020 and 1st April, 2020 to 30th September, 2020, with ROC dated 19th January, 2021. Further E-form PAS-6 (Reconciliation of Share Capital Audit Report (Half Yearly) for the period 1st October, 2020 to 31st March 2021 has been filed with ROC dated 10th May, 2021.

(8) The Company has delayed in filing E-form CRA-4 pursuant to Section 148(6) (Filing cost Audit report with Central Government for the Year Ended 31st March, 2020) with ROC dated 18th June, 2021.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive, Woman Director, However Mr. Ashu Verma and Ms. Sheveta Verma, was independent Director of the Company resigned on the date of 1st July, 2020 and Mr. Azhar Quadir and Mr. Shashwat Gaur was appointed as independent directors as on the date of 1st September, 2020 and 15th February, 2021 respectively. Therefore, 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 15th February, 2021 as there was only one Independent Director for this Specified period. 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.

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: 11.09.2021

UDIN: A044649C000935396

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

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. Wherever 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 ★ COMPANY SECRETARIES ★ NEW DELHI

Ajay Sharma

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

Place: New Delhi
Date: 11/09/2021

ANNEXURE - 3

Corporate Social Responsibility (CSR)

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

1. **Brief outline on CSR 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.

Objectives

Our broad objectives, as stated in our CSR Policy, include:

- Making a positive impact on society through economic development and reduction of our resource footprint.

- Taking responsibility for the actions of the Company while also encouraging a positive impact through supporting causes concerning the environment, communities and our stakeholders

Focus areas

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.

2. **Composition of CSR Committee:**

S. N.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Azhar Quadir	Chairman	1	1
2.	Mr. Shravan Gupta	Director	1	1
3.	Mr. Rakshit Jain	Director & CEO	1	1

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**
www.mgfgroup.in

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). –** NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. N.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
-	-	-	-

6. Average net profit of the company as per section 135(5). **-(86,15,11,000)**

7. (a) Two percent of average net profit of the company asper section 135(5). **- (1,72,30,220)**
(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years. -Nil
(c) Amount required to be set off for the financial year, - Nil
(d) Total CSR obligation for the financial year (7a+7b-7c). – Nil (As the Average net profit of the company is negative)

8. (a) CSR amount spent or unspent for the financial year:

Total amount Spent for the F.Y. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

#	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current F.Y. (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through implementing Agency	
				State	District						Name	CSR Registration No.
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NA
(d) Amount spent in Administrative Overheads - NA
(e) Amount spent on Impact Assessment, if applicable - NA
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – NIL
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

#	Preceding F.Y.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting F.Y. (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding F.Y. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	2019-20	-		-	-	-	-
2.	2018-19	-		-	-	-	-
3.	2017-18	-		-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

#	Project ID	Name of The Project	F.Y. in which the project was commenced	Project Duration	Total amount Allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting F.Y. (in Rs.)	Status of the project – Completed /Ongoing
	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). - NA
(b) Amount of CSR spent for creation or acquisition of capital asset. - NA
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - NA

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). -** NA

For MGF Developments Limited

Sd/-	**Sd/-**
Azhar Quadir **Director** **DIN: 07287027**	**Rakshit Jain** **Director & CEO** **DIN: 00607288**

Place: New Delhi
Date: October 11, 2021

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, 2021, 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, 2021, its profit 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after the date of this Auditor's Report.

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DELHI
CHARTERED ACCOUNTANTS

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

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 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.

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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.

- 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;

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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;

e. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 DELHI CHARTERED ACCOUNTANTS

CA Keshav Kumar
Partner
Membership No. 088271
UDIN: 21088271AAAAHH8953

Place: New Delhi
Date: 11 OCT 2021

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, 2021]

(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 title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except for land situated at plot no. 15 & 15A of Jasola project, as the same have been received under demerger scheme.

(ii) Inventory comprises of completed projects mentioned as finished goods, projects in progress mentioned as work in progress and purchase of land mentioned as raw material. 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 verified on the basis of completion certificate or occupancy certificate and raw material has been verified on the basis of purchase/joint development agreement.

(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.

(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 wherever applicable.

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(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, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, goods and service tax, which have not been deposited on account of any dispute.

(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.

SAMPRK & ASSOCIATES DELHI CHARTERED ACCOUNTANTS

(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

SAMPRK & ASSOCIATES DELHI CHARTERED ACCOUNTANTS

CA Keshav Kumar

Partner

Membership No. 088271

UDIN: 21088271AAAAHH8953

Place: New Delhi

Date: 11 OCT 2021

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 31,2021 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.

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.

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CHARTERED ACCOUNTANTS

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.

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, 2021, 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 ★ DELHI ★ CHARTERED ACCOUNTANTS

CA Keshav Kumar
Partner
Membership No. 088271
UDIN: 21088271AAAAHH8853

Place: New Delhi
Date: 11 OCT 2021

MGF DEVELOPMENTS LIMITED
BALANCE SHEET AS AT MARCH 31, 2021

(Amount in Rupees lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current Assets			
Property, plant & equipment	3	48,819.97	48,842.02
Capital work-in-progress		9,766.02	9,766.02
Other intangible assets	4	6.55	9.43
Investment in subsidiary	5	882.11	1,122.01
Financial assets			
Investment	6	16,119.42	15,890.36
Other financial assets	7	423.79	483.27
Deferred tax assets (net)	8	16,670.17	20,330.37
Other non current assets	9	2,446.25	2,440.99
Non-current (tax) assets	10	1,574.55	1,557.79
		96,708.83	1,00,442.26
Current Assets			
Inventories	11	71,269.87	71,089.62
Financial assets			
Investment	12	40.55	40.55
Trade receivables	13	746.95	880.18
Cash and cash equivalents	14	895.55	257.11
equivalents	15	517.45	251.66
Other financial assets	16	2,31,809.48	2,29,982.71
Other current assets	17	8,854.42	8,539.63
		3,14,134.27	3,11,041.46
Total Assets		4,10,843.10	4,11,483.72
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	2,35,129.05	2,33,899.11
		2,43,079.04	2,41,849.10
Non- Current Liabilites			
Financial liabilities			
Borrowings	20	4,550.10	4,016.57
Provisions	21	84.36	69.93
		4,634.46	4,086.50
Current Liabilities			
Financial liabilities			
Borrowings	22	11,207.23	12,269.83
Trade payables	23	9,712.33	9,048.22
Other financial liabilities	24	1,33,239.93	1,34,950.15
Other current liabilities	25	7,831.92	8,024.30
Provisions	26	10.74	9.82
Current tax liabilities (net)	27	1,127.45	1,245.80
		1,63,129.60	1,65,548.12
Total Equity & Liabilities		4,10,843.10	4,11,483.72

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

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

CA Keshav Kumar
(Partner)
Membership Number: 088827

UDIN - 21088271AAAANH8953

Rakshit Jain
Director & CEO
DIN : 00607288

Shashwat Gaur
(Director)
DIN - 09047030

MGF DEVELOPMENTS LTD. NEW DELHI

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place : New Delhi
Date : 11 OCT 2021

Place : New Delhi
Date : 11 OCT 2021

MGF DEVELOPMENTS LIMITED
Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rupees lacs)

	Note	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	28	9,781.79	3,296.60
Other Income	29	2,237.46	1,602.06
Total income		12,019.25	4,898.66
Expenses			
Cost of Materials Consumed	30	862.20	-844.35
Purchase of Stock-in-Trade	31	387.81	0.00
Changes in inventories of finished goods, work-ir	32	-4.55	0.00
Employee benefit expense	33	582.84	638.91
Financial costs	34	497.56	946.22
Depreciation and amortization expense	35	46.31	51.92
Other expenses	36	4,761.24	3,640.64
Total expenses		7,133.41	4,433.34
(Loss)/ Profit before tax		4,885.84	465.32
Tax expense:			
(1) Current tax		-	0.59
(3) Deferred tax liability/(Assets)		3,659.08	-16,164.81
(Loss)/ Profit for the year		1,226.76	16,629.54
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post employment benefit obligations		4.30	0.59
- Income tax related to above item		-1.12	-0.15
Other comprehensive income for the year (net of income tax)		3.18	0.44
Total comprehensive income for the year		1,229.94	16,629.98
Earnings per equity share (in `)	37		
face value per share ` 10 each (Previous year ` 10 each)			
-Basic earning per share		2.06	27.83
-Diluted earning per share		2.06	27.83

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

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

CA Keshav Kumar
(Partner)
Membership Number: 088271
UDIN - 21088271AAAAHH8953

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

Rakshit Jain
Director & CEO
DIN : 00607288

Shashwat Gaur
(Director)
DIN - 09047030

MGF DEVELOPMENTS LTD. NEW DELHI

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place : New Delhi
Date : 11 OCT 2021

Place : New Delhi
Date : 11 OCT 2021

MGF DEVELOPMENTS LIMITED

Cash Flow Statement for the year ended March 31, 2021

(Amount in Rupees lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Net loss before tax from continuing business	4,885.84	465.32
Net profit before tax from discontinued business	4.30	0.59
Adjustments for:		
Depreciation and amortization from continuing operations	46.31	51.92
(Reversal of provision)/Provision for doubtful receivables	77.67	-106.13
Profit on restatement of mutual fund	0.00	-0.61
Interets income on debentures	-4.54	-4.54
(Profit)/Loss on Sale of Fixed Assets	-2.41	-0.58
Interest Charges on Term Loans	408.35	430.45
Loan processing fees	21.19	38.50
Interest Charges on ICD	64.85	64.86
Interest Income	-78.72	-105.85
Profit on Sale of Investments	0.00	-745.93
Dividend Income	0.00	-2.12
	532.70	-380.03
Operating profit before working capital changes	**5,422.84**	**85.88**
Movement in assets and liabilities, net		
Adjustments for (increase)/decrease in operating assets:		
Non-Current other financial assets	16.95	-6.35
Other non current assets	-5.26	4.39
Inventories	-180.25	-1,408.86
Trade receivables	55.56	-102.37
Other current financial assets	-2,304.55	-1,833.65
Other current assets	-314.79	-123.54
Adjustments for increase/(decrease) in operating liabilities:		
Non-current provisions	14.43	17.22
Trade payables	664.11	81.62
Other current financial liabilities	-1,717.88	2,533.58
Other current liabilities	-192.38	-4,220.42
Current provisions	0.92	0.65
	-3,963.14	-5,057.73
Cash generated from/(used in) operating activities	1,459.70	-4,971.85
Less: taxes paid, (net of refund and interest thereon)	-135.12	-489.80
Net cash generated from operating activities	1,324.58	-5,461.65
Cash flow from investing activities		
Investment in subsidiary	239.90	-2.00
Investment in others	-229.06	349.91
Investment in mutual funds	0.00	3,357.00
Investment in fixed deposits	-223.26	291.63
Capital expenditure on capital work in progress	0.00	0.00
Capital expenditure on property, plant and equipment	-26.90	-219.86
Proceeds from sale of property, plant and equipment	7.93	1.20
Loans given to related parties (net of realisation)	313.34	407.67
Loans given to others (net of realisation)	187.23	-21.91
Dividend income	0.00	2.12
Interest received	60.47	113.57
Net cash (used in) investing activities	329.65	4,279.33

Continued to next page

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS DELHI

MGF DEVELOPMENTS LTD. NEW DELHI

Continued form previous page

	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from financing activities		
Repayment of long-term borrowings (including current maturities)	541.19	-74.26
Movement in current borrowings	-1,062.60	-95.45
Loan processing fees	-21.19	-38.50
Finance cost	-473.20	-495.30
Net cash generated/(used in) from financing activities	**-1,015.80**	**-703.51**
Net increase/(decrease) in cash and cash equivalents	**638.43**	**-1,885.83**
Cash and cash equivalents		
-Beginning of the year	257.11	2,142.94
-End of the year (A)	**895.54**	**257.11**
Deposits with original maturity of more than three		
Cash and bank balances as per Balance Sheet (A+B)	**895.55**	**257.11**

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

SAMPRK & ASSOCIATES DELHI CHARTERED ACCOUNTANTS

CA Keshav Kumar
(Partner)
Membership Number: 088271
UDIN 21088271AAAAHH8953

Place : New Delhi
Date : 11 OCT 2021

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

Rakshit Jain

Rakshit Jain
Director & CEO
DIN : 00607288

Shashwat Gaur
(Director)
DIN - 09047030

Nupur Jain
Company Secretary
M.No. 36044

MGF DEVELOPMENTS LTD. NEW DELHI

Vijay Kumar Sharma
CFO

Place : New Delhi
Date : 11 OCT 2021

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 01,2020 to March 31, 2021.

2A. 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 October 11, 2021.

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.

(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

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

(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, 2021.

(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.

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.

2B. Significant accounting policies

SAMPRK & ASSOCIATES DELHI CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

(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.

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.

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

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.

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.

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

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.

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.

<u>Transition to Ind AS</u>

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.

<u>Amortisation</u>

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:

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS DELHI

MGF DEVELOPMENTS LTD. NEW DELHI

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).

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.

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;

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- 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.

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

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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.

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.

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.

Measurement of expected credit losses

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.

Write-off

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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

Short term employee benefits:

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.

Long term employee benefits

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.

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.

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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.

(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.

(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 33 for segment information.

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Notes to the financial statements for the year ended March 31, 2021

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, 2019	48,517.55	37.03	10.55	76.11	22.12	48.48	32.61	48,744.45
Additions	0.00	18.71	3.25	29.11	8.55	139.78	13.95	213.35
Disposals	-	-	-	4.20	-	-	-	4.20
Balance as at March 31, 2020	48,517.55	55.74	13.80	101.02	30.67	188.26	46.56	48,953.60
Balance as at April 01, 2020	48,518	55.74	13.80	101.02	30.67	188.26	46.58	48,953.60
Additions	-	0.00	0.00	0.00	2.80	17.76	5.51	26.07
Disposals	-	-	-	8.60	-	-	-	8.60
Balance as at March 31, 2021	48,517.55	55.74	13.80	92.42	33.47	206.02	52.09	48,971.07
Accumulated depreciation and impairment losses								
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
Balance at April 01, 2020	-	20.89	2.29	32.25	15.79	7.54	32.82	111.58
Depreciation for the year	-	6.04	0.91	16.41	7.50	1.66	10.08	42.60
Disposals	-	-	-	3.08	-	-	-	3.08
Balance as at March 31, 2021	-	26.93	3.20	45.58	23.29	9.20	42.90	151.10
Carrying amount (net)								
As at March 31, 2020	48,517.55	34.84	11.51	68.78	14.88	180.72	13.74	48,842.02
As at March 31, 2021	48,517.55	28.81	10.60	46.84	10.18	196.82	9.19	48,819.97

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.

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4. Other intangible assets

(Amount in Rupees lacs)

Particulars	Trade Marks	Computer Software	Total
Cost or deemed cost (gross carrying amount)			
Balance as at April 01, 2019	6.04	3.27	9.31
Additions	-	6.51	6.51
Disposals	-	-	-
Balance as at March 31, 2020	**6.04**	**9.78**	**15.82**
Balance as at April 01, 2020	6.04	9.78	15.82
Additions	-	0.83	0.83
Disposals	-	-	-
Balance as at March 31, 2021	**6.04**	**10.61**	**16.65**
Accumulated amortisation and impairment losses			
Balance at April 01, 2019	3.28	0.50	3.78
Depreciation for the year	-	2.61	2.61
Disposals	-	-	-
Balance as at March 31, 2020	**3.28**	**3.11**	**6.39**
Balance at April 01, 2020	3.28	3.11	6.39
Depreciation for the year	0.00	3.71	3.71
Disposals	-	-	-
Balance as at March 31, 2021	**3.28**	**6.82**	**10.10**
Carrying amount (net)			
As at March 31, 2020	**2.76**	**6.67**	**9.43**
As at March 31, 2021	**2.76**	**3.79**	**6.55**

Notes:

1. Internally generated intangible assets as at March 31, 2021 INR Nil, (March 31, 2020: INR 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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(Amount in Rupees lacs)

5 Investment in subsidiary

Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted, trade investment, at cost		
Investment in subsidiaries		
Crimson Holdings Private Limited		
30,000 (March 31 2020: 30,000) equity shares of INR 10 each	3.00	3.00
Kayo Developers Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.01	1.01
Valente Real Estates Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Clean & Green Energy India Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Samishti Real Estate Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
MGFD Ventures Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Avinashi Buildtech Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Cassock Properties Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Chhavi Buildtech Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Easter Conbuild Private Limited		
20,000 (March 31, 2020: 20,000) equity shares of INR 10 each	106.10	106.10
Ecstasy Conbuild Private Limited		
20,000 (March 31, 2020: 20,000) equity shares of INR 10 each	106.10	106.10
Ethic Conbuild Private Limited		
20,001 (March 31, 2020: 20,001) equity shares of INR 10 each	230.80	230.80
Gait Propbuild Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Glimpse Propbuild Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Godson Propbuild Private Limited		
20,000 (March 31, 2020: 20,000) equity shares of INR 10 each	193.70	193.70
Gran Propbuild Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
~~Grapeshot Propbuild Private Limited~~		
20,000 (March 31, 2020: 20,000) equity shares of INR 10 each	208.90	208.90
Lifeline Buildtech Private Limited		

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10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Locus Propbuild Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Mega City Promoters Private Limited		
65,000 (March 31, 2020: 65,000) equity shares of INR 10 each	6.50	6.50
MG Colonizers Private Limited		
Nil (March 31, 2020: 10,000) equity shares of INR 10 each	0.00	239.90
Pipalashray Estate Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Prayas Buildcon Private Limited		
100,000 (March 31, 2020: 100,000) equity shares of INR 10 each	10.00	10.00
Spiritual Realtors Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Sukhda Promoters Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
Tushar Projects Private Limited		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each	1.00	1.00
	882.11	1,122.01

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

	As at March 31, 2021	As at March 31, 2020
Aggregate book value of unquoted non current investment	882.11	1,122.01

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

Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted, trade investment, at cost		
Investment in associate		
Discovery Holdings Private Limited		
49,850 (March 31 2020: 49,850) equity shares of INR 10 each	4.99	4.99
MGF Estates Management Private Limited		
50,000 (March 31 2020: 50,000) equity shares of INR 10 each	5.00	5.00
Emaar MGF Construction Private Limited		
2,188,102 (March 31, 2020: 2,188,102) equity shares of INR 10 each	2,407.48	2,407.48
MGF Promotions & Events Private Limited		
50,000 (March 31 2020: 50,000) equity shares of INR 10 each	5.00	5.00
SSP Aviation Limited		
520,300 (March 31 2020: 520,300) equity shares of INR 10 each	52.14	52.14
VMR Promoters Private Limited		
2,500,000 (March 31 2020: 2,500,000) equity shares of INR 10 each	264.54	264.54
Acreage Builders Private Limited (32.55%)	7,720.00	7,720.00
164,380 (March 31 2020: 164,380) equity shares of INR 10 each		
	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 2020: 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		
640,000 (March 31 2020: 640,000) equity shares of INR 10 each	64.00	64.00
Discovery Estates Private Limited		
500 (March 31 2020: 500) equity shares of INR 10 each	0.05	0.05
EMAAR MGF Education Private Limited		
8,000 (March 31 2020: 8,000) equity shares of INR 10 each	204.00	204.00
Emaar India Limited (formerly known as EMAAR MGF Land Limited)		
434,318 (March 31 2020: 434,318) equity shares of INR 10 each	189.31	189.31
MGF Retail Services Private Limited		
3,500 (March 31 2020: 3,500) equity shares of INR 10 each	0.35	0.35
Shanti Apparels Manufacturing Co Private Limited		
440 (March 31 2020: 440) equity shares of INR 10 each	127.38	127.38
Vishnu Apartments Private Limited		
365,000 (March 31 2020: 365,000) equity shares of INR 10 each	37.50	37.50
	622.59	**622.59**
In preference shares (unquoted)		
Triyug Projects Private Limited		
90,767,691 (March 31 2020: 90,767,691) equity shares of INR 10 each	1,669.76	1,522.09
	1,669.76	**1,522.09**
(C)	**2,292.35**	**2,144.68**
Investment in Debentures		
North Delhi Metro Mall Private Limited		
281 (March 31 2020: 226) Debentures of INR 1,000,000 each	895.35	813.96
(D)	**895.35**	**813.96**
Investment in others		
In Paintings and Sculptures	679.56	679.56
(E)	**679.56**	**679.56**
(A+B+C+D+E)	**16,119.42**	**15,890.36**

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

	As at March 31, 2021	As at March 31, 2020
Aggregate book value of unquoted non current investment	15,439.84	15,210.78

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.

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

7 Other non current financials assets

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	122.66	139.61
Fixed Deposits with maturity more than 12 months	288.53	331.06
Interest Receivable	12.60	12.60
	423.79	483.27

8 **Deferred tax assets (net)**

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets (net)	16,670.17	20,330.37
	16,670.17	20,330.37

9 Non current assets

Particulars	As at March 31, 2021	As at March 31, 2020
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	48.61	43.35
Mat credit entitlement	98.47	98.47
	2,446.25	2,440.99

10 Non-current (tax) assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance income tax (net of provision as at March 31, 2021 INR 536.63 (March 31, 2020: INR 536.63))	1,574.55	1,557.79
	1,574.55	1,557.79

11 Inventories

	Particulars		As at March 31, 2021	As at March 31, 2020
	Land at Kherki Daula		349.03	339.68
	Land at Village - Kherki Dhaula, Gurgaon		1,791.06	1,791.06
	Pattanama - Sikanderpur Badha Land		158.00	0.00
		(A)	2,298.09	2,130.74
	Construction Work in Progress (As taken Valued and Certified by the Management)			
a)	Opening Balance		3,434.53	3,434.53
	Add : Proportionate Cost of work done during the year		0.00	-844.35
	Less : Cost of construction charged to Profit & Loss Account		0.00	844.35
			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		2,045.04	636.18
	Add : Additions additions during the year		8.35	1,408.86
			2,053.39	2,045.04
		(B)	60,410.14	60,401.79
	Finished Stock (As taken Valued and Certified by the Management)			
a)	~~Closing Inventory of Built-up shops~~		6,385.22	6,380.67
			6,385.22	6,380.67
b)	Investment Project - Qutab		2,176.42	2,176.42
			2,176.42	2,176.42
		(C)	8,561.64	8,557.09
		(A+B+C)	71,269.87	71,089.62

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

12 Current financial investments

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Mutual Funds	40.55	40.55
	40.55	**40.55**

13 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Un-secured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	578.96	840.10
Other receivables	167.99	40.08
	746.95	**880.18**
Un-secured, considered doubtful	2,213.94	2,136.27
Less: Provision for doubtful debts	-2,213.94	-2,136.27
Total Trade Receivable	**746.95**	**880.18**

14 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
On current accounts	752.99	132.77
Deposits with original maturity of less than three months	66.37	65.28
Cheques, drafts on hand	0.00	1.01
Cash on hand	76.19	58.05
	895.55	**257.11**

15 Bank balances other than Cash and Cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits with Maturity Period		
of more than 3 months but upto 12 months	517.45	251.66
	517.45	**251.66**

16 Other current financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Inter-corporate Deposit Interest Free - related parties	28,029.17	28,342.51
Inter-corporate Deposit Interest Free - Other Parties	2,679.64	2,866.87
Loans and advances to related parties		
Unsecured, considered good	1,67,192.77	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	5,928.71	2,484.21
Other Receivables- others	1,456.02	1,838.33
Dividend Receivable	9.08	4.54
Interest Receivable	31.74	13.49
Security Deposits	2,707.11	2,707.11
Business Advances	2,467.19	2,588.03
Advances To Suppliers	3.88	7.95
Advances Given to Staff	3.98	14.41
	2,31,809.48	**2,29,982.71**

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ DELHI

MGF DEVELOPMENTS LTD. NEW DELHI

17 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Against Land	2,532.99	2,532.99
Booking Advance - Related Party	0.00	2,630.00
Unbilled revenue	3,039.72	3,039.72
Prepaid lease rent	0.00	3.17
Deferred Revenue Expenditure	2,296.23	0.00
GST Input Credit	937.72	290.53
Prepaid Expenses	47.76	43.22
	8,854.42	8,539.63

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

MGF DEVELOPMENTS LIMITED
Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital

(Amount in Rupees lacs)

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
Changes in equity share capital during the year 2020-21		-
Balance as at March 31, 2021		5,976.51

B. Other equity

For the year ended March 31, 2021

(Amount in Rupees lacs)

Particulars	Reserves & Surplus					Remeasurement of defined benefit plans	Total
	Security premium reserve	General reserve	Capital reserve	Deemed equity	Retained Earnings		
Opening Balance as at April 01, 2019	12,393.64	324.39	2,17,601.88	77.96	-13,121.81	-6.93	2,17,269.13
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	2,17,601.88	77.96	3,507.73	-6.49	2,33,899.11
Opening Balance as at April 01, 2020	12,393.64	324.39	2,17,601.88	77.96	3,507.73	-6.49	2,33,899.11
Profit for the year	-	-	-	-	1,226.76	-	1,226.76
Other comprehensive income	-	-	-	-	-	3.18	3.18
Total Comprehensive Income	-	-	-	-	1,226.76	3.18	1,229.94
Balance as at March 31, 2021	12,393.64	324.39	2,17,601.88	77.96	4,734.49	-3.31	2,35,129.05

As per our report of even date

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

SAMPRK & ASSOCIATES DELHI CHARTERED ACCOUNTANTS

CA Keshav Kumar
(Partner)
Membership Number: 088271

UDIN : 21088271AAAAHH8953

Place: New Delhi
Date :
11 OCT 2021

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

Rakshit Jain
Director & CEO
DIN : 00607288

Nupur Jain
Company Secretary
M.No. 36044

Place: New Delhi
Date :
11 OCT 2021

MGF DEVELOPMENTS LTD. NEW DELHI

Shashwat Gaur
(Director)
DIN - 09047030

Vijay Kumar Sharma
CFO

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, 2021		March 31, 2020	
	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	16,20,00,000	16,200.00
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, 2021		March 31, 2020	
	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, 2021		March 31, 2020	
	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, 2021		March 31, 2020	
	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 ★ DELHI ★ CHARTERED ACCOUNTANTS

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.

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 Two Crore (INR 62,00,00,000) to Rupees One Hundred Sixty Two Crore (INR 1,62,00,00,000) 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 Two Crore (INR 62,00,00,000) to Rupees One Hundred Sixty Two Crore (INR 1,62,00,00,000) 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.

Further, on June 03, 2019 the Resulting Company has filed petition to 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 Court Officer/NCLT. Pending the 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, 2021.

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ DELHI

MGF DEVELOPMENTS LTD. ★ NEW DELHI

(Amount in Rupees lacs)

19 Other equity

Securities premium account

	As at March 31, 2021	As at March 31, 2020
Opening balance	12,393.64	12,393.64
Closing balance (A)	12,393.64	12,393.64

General reserve

	As at March 31, 2021	As at March 31, 2020
Opening balance	324.39	324.39
Closing balance (B)	324.39	324.39

Capital reserve

	As at March 31, 2021	As at March 31, 2020
Opening balance	2,17,601.88	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, 2021	As at March 31, 2020
Opening balance	3,507.73	-13,121.81
Add: profit for the year	1,226.76	16,629.54
Closing balance (D)	4,734.49	3,507.73

Other comprehensive income

	As at March 31, 2021	As at March 31, 2020
Opening balance	-6.49	-6.93
Add: Remeasurement of post employment benefit obligations	3.18	0.44
Closing balance (E)	-3.31	-6.49

Deemed capital contribution

	As at March 31, 2021	As at March 31, 2020
Opening balance	77.96	77.96
Closing balance (F)	77.96	77.96
Total other equity (A+B+C+D+E+F)	2,35,129.05	2,33,899.11

20 Non current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured		
Financial Institutions	11.33	17.17
From Banks	4,824.15	4,277.12
Amount disclosed under the head "other current financial liabilities"	-285.38	-277.72
	4,550.10	4,016.57

SAMPRK & ASSOCIATES ★ DELHI ★ CHARTERED ACCOUNTANTS

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) and Addendum letter no. IBL/CAD North/2018-19/0225/Addendum, IBL/CAD North/2018-19/025/Add1 dated 14.08.18, IBL/CAD North/CCBG/2019-20/2349 dated 11.02.20

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. Malabar Gold Pvt. Ltd. earlier lease to Reliance Lifestyle Holdings Ltd.
4. PVR Limited. (both screen and food area)
5. Axon Automotive Pvt. Ltd.
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.
- 3,250 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 Developments 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 Discovery Estates Private LImited and owned by DEPL.
'- First and exclusive charge by way of Equitable Mortgage on 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

SAMPRK & ASSOCIATES DELHI CHARTERED ACCOUNTANTS

MGF DEVELOPMENTS LTD. NEW DELHI

Personal Guarantee

- Personal guarantee of Promoters
(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 as FD under lien.

Collateral coverage

- To be maximum of 1.5x 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

	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	59.43	50.20
Provision for leave encashment	24.93	19.73
	84.36	69.93

22 Current borrowings

	As at March 31, 2021	As at March 31, 2020
Unsecured Loans from Related Parties		
Directors	42.40	42.40
Inter Corporate Deposit (Bearing Interest)	0.00	777.51
Inter Corporate Deposit (Interest Free)	560.65	843.66
Government Fees	6,196.61	6,196.61
Unsecured Loans from Other Parties		
Other Inter Corporate Deposit (Interest Free)	4,407.57	4,409.65
	11,207.23	12,269.83

23 Trade payables

	As at March 31, 2021	As at March 31, 2020
Trade Payable for Services	908.63	224.25
Trade Payable Project	8,803.70	8,823.97
	9,712.33	9,048.22

24 Other current financial liability

	As at March 31, 2021	As at March 31, 2020
Current maturities of Loans from Financial Institution	285.38	277.72
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	0.00
Security Deposits from Customers	1,084.78	1,147.83
Security Deposits - Others	7,000.00	7,000.00
Due to Joint Ventures	8,159.97	9,814.80
Trade Payable for Capital Goods	136.09	136.09
	1,33,239.93	1,34,950.15

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.

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS DELHI

MGF DEVELOPMENTS LTD. NEW DELHI

25 Other current liability

	As at March 31, 2021	As at March 31, 2020
Booking Advances from Customers	2,839.53	2,839.53
Other Payable	4,849.19	5,105.00
Payable to Staff	4.76	12.69
Duties & Taxes		
TDS	32.36	33.46
Service Tax/GST	99.09	26.30
Provident Fund/ESI	6.99	7.32
	7,831.92	**8,024.30**

26 Current provisions

	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	8.35	7.56
Provision for leave encashment	2.39	2.26
	10.74	**9.82**

27 Current tax liabilities (net)

	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of advance tax as at March 31, 2021 INR 423.62 (March 31, 2020: INR 423.62))	1,127.45	1,245.80
Total Short Term Provision	**1,127.45**	**1,245.80**

SAMPRK & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ DELHI

MGF DEVELOPMENTS LTD. NEW DELHI

(Amount in Rupees lacs)

28 Revenue from operations

	As at March 31, 2021	As at March 31, 2020
a) Sales	8,629.24	1,661.99
b) Rent	1,020.41	1,517.99
c) Other Operating Revenue:-		
Electricity & Water Receipts	126.70	115.08
Maintenance Income	5.44	1.54
	9,781.79	3,296.60

29 Other income

	As at March 31, 2021	As at March 31, 2020
Interest Income	78.72	105.85
Interets income on debentures	4.54	4.54
Interets income on income tax refund	10.21	0.00
Profit on Sale of Investments	0.00	745.93
Profit on Sale of Assets	2.41	0.58
Reversal of expected credit loss	0.00	106.13
Dividend Income	0.00	2.12
Finance Income	239.00	216.09
Income on restatement of mutual fund	0.00	0.61
Miscellaneous Income	1,902.58	420.21
	2,237.46	1,602.06

30 Cost of Materials Consumed

	As at March 31, 2021	As at March 31, 2020
Cost of Material Consumed	862.20	-844.35
Total Cost of material Consumed	862.20	-844.35

31 Purchase of Stock-in-Trade

	As at March 31, 2021	As at March 31, 2020
Purchase of Stock-in-Trade	387.81	0.00
	387.81	0.00

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32 (Increase) / Decrease in Inventories

	As at March 31, 2021	As at March 31, 2020
Closing stock		
- Finished goods	8,561.64	8,557.09
	8,561.64	**8,557.09**
Opening stock		
- Finished goods	8,557.09	8,557.09
	8,557.09	**8,557.09**
	-4.55	0.00

33 Employee benefit expenses

	As at March 31, 2021	As at March 31, 2020
Salary & Other Allowances	543.08	589.18
Contribution to PF	31.40	31.79
Staff Welfare Expenses	8.36	17.94
	582.84	638.91

34 Finance cost

	As at March 31, 2021	As at March 31, 2020
Interest Charges on Term Loans	408.35	430.45
Loan processing Fees	21.19	38.50
Interest Charges on ICD	64.85	64.86
Finance cost	3.17	412.41
	497.56	946.22

35 Depreciation & Amortisation

	As at March 31, 2021	As at March 31, 2020
Depreciation	42.60	49.31
Amortisation	3.71	2.61
	46.31	51.92

36 Other expenses

	As at March 31, 2021	As at March 31, 2020
Power & Fuel	161.08	162.95
Rent	214.50	377.80
Repair & Maintenance Building	88.14	126.53
Repair & Maintenance Plant & Machinery	19.33	16.67
Bank Charges	12.48	17.29
Insurance Charges	6.69	4.82
Rates & Taxes	107.53	103.12
Compensation, Rebate & Discount	0.00	601.48
Legal & Professional Charges (refer note below)	2,513.71	1,686.31
Security Expenses	68.01	45.85
Tours and Travelling	6.64	214.30
Provision for doubtful debts	77.67	0.00
Miscellaneous Expenses	1,485.46	283.52
	4,761.24	3,640.64

Remuneration to auditors (excluding goods and service tax)

	As at March 31, 2021	As at March 31, 2020
Statutory audit	8.00	8.00
Other Expenses	1.50	1.50
Total	9.50	9.50

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

(Amount in Rupees lacs)

	March 31, 2021	March 31, 2020
Basic earning per share (a)/(b)	2.06	27.83
Diluted earning per share (a)/(b)	2.06	27.83
Nominal value per share	10.00	10.00
Profit attributable to equity shareholders		
From continuing operations (a)	1,229.94	16,629.98
	1,229.94	16,629.98
Weighted average number of shares	No of shares	No 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, 2021	March 31, 2020
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, 2020: 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, 2021	March 31, 2020
a. Securities/ Performance guarantee provided to various government authorities/others	778.64	780.60
b. Claims against the Company not acknowledged as debts(refer note i)	0.00	345.43

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

Particulars	Section	Assessment Year pertaining	March 31, 2021	March 31, 2020
Income tax	220(2)	2004-05	0.00	26.15
Income tax	220(2)	2009-10	0.00	55.92
Income tax	220(2)	2010- 11	0.00	2.70
Income tax	220(2)	2011- 12	0.00	259.66
Income tax	220(2)	2013- 14	0.00	0.04
Income tax	153A	2014-15	0.00	0.96
Total			0.00	345.43

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.

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.

C. Contingent assets:

The Company does not have any contingent assets as at March 31, 2021 and March 31, 2020

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, 2021	Year ended March 31, 2020
Contribution to provident fund	31.40	31.79

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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 2021. 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, 2021	March 31, 2020
Net defined benefit liability		
(Assets)/Liability for Gratuity	67.78	57.76
Total employee benefit liabilities	67.78	57.76
Non-current	59.43	50.20
Current	8.35	7.56

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, 2021			March 31, 2020		
	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	57.76	-	57.76	44.36	-	44.36
Included in profit or loss						
Current service cost	10.46	-	10.46	10.59	-	10.59
Interest cost (income)	3.86	-	3.86	3.40	-	3.40
	14.32	-	14.32	13.99	-	13.99
Included in OCI						
Remeasurements loss (gain)						
- Total actuarial loss/(gain) on obligation	-4.30	-	-4.30	-0.59	-	-0.59
	-4.30	-	-4.30	-0.59	-	-0.59
Other						
Benefits paid	-	-	0.00	0.00	-	0.00
	0.00	-	0.00	0.00	-	0.00
Balance at the end of the year	67.78	-	67.78	57.76	-	57.76

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

	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	10.46	10.59
Interest cost	3.86	3.40
	14.32	13.99

D. Plan assets

Plan assets comprises of the following:

	March 31, 2021	March 31, 2020
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, 2021	March 31, 2020
Discount rate	6.69%	6.69%
Expected rate of future salary increase	6.00%	6.00%

The discount rate has been assumed at 6.69% (March 31, 2020: 6.69%) 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, 2021	March 31, 2020
i) Retirement age (years)	59.00	59.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
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, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	-2.54	2.73	-2.28	2.45
Future salary growth (0.50% movement)	2.74	-2.57	2.46	-2.31

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, 2021	March 31, 2020
Duration of defined benefit obligation		
Less than 1 year	8.35	7.65
Between 1-2 years	1.30	0.97
Between 2-5 years	21.95	15.57
Over 5 years	36.18	33.57
Total	67.78	57.76

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are INR 15.81 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 11.71 years (March 31, 2019: 12.12 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, 2021, the Company has incurred an expense on compensated absences amounting to INR 14.20 lacs (previous year INR 11.45 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.

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

	March 31, 2021	March 31, 2020
Net defined benefit liability		
Liability for earned leave	27.32	21.99
Total employee benefit liabilities	27.32	21.99
Non-current	24.93	19.73

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Current	2.39	2.26

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, 2021			March 31, 2020		
	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	21.99	-	21.99	17.52	-	17.52
Included in profit or loss						
Current service cost	7.20	-	7.20	7.39	-	7.39
Interest cost (income)	1.47	-	1.47	1.33	-	1.33
- Total actuarial loss/(gain) on obligation	5.53	-	5.53	2.73	-	2.73
	14.20	-	14.20	11.45	-	8.72
Other						
Benefits paid	-8.87	-	-8.87	-6.98	-	-6.98
	-8.87	-	-8.87	-6.98	-	-6.98
Balance at the end of the year	27.32	-	27.32	21.99	-	19.26

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

	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	7.20	7.39
Interest cost	1.47	1.33
Actuarial loss (gain)	5.53	2.73
	14.20	11.45

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, 2021	March 31, 2020
Discount rate	6.69%	6.69%
Expected rate of future salary increase	6.00%	6.00%

The discount rate has been assumed at 6.69% (March 31, 2020: 6.69%) 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, 2021	March 31, 2020
i) Retirement age (years)	59.00	59.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
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, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	-1.19	1.27	-0.97	1.05
Future salary growth (0.50% movement)	1.28	-1.20	1.05	-0.98

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, 2021	March 31, 2020

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Duration of defined benefit obligation

Less than 1 year	2.39	2.26
Between 1-2 years	1.26	0.50
Between 2-5 years	7.03	6.24
Over 5 years	16.64	12.99
Total	27.32	21.99

Expected contributions to post-employment benefit plans for the year ending 31 March 2022 are INR 8.83 lacs.
The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 11.71 years (March 31, 2020: 12.12 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 "residentiat, 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, 2021	March 31, 2020
Shoppers Stop Limited	468.64	698.78
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:

(Amount in Rupees lacs)

	March 31, 2021	March 31, 2020
(i) Future minimum lease payments		
Not later than one year	214.50	229.22
Later than one year but not later than five year	-	-
Later than five year	-	-
Total	214.50	229.22

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(ii) Amounts recognised in profit and loss account	Year ended March 31, 2018	Year ended March 31, 2017
Lease expense- minimum lease payments	214.50	377.80

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, 2021 are as follows:

Particulars	March 31, 2021	March 31, 2020
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 2021	For the year ended 31 March 2020
Current tax		
Current year	0.00	0.59
	0.00	0.59
Deferred tax		
Change in recognised temporary differences	3,659.08	-16,164.81
	3,659.08	-16,164.81
Total tax expense	3,659.08	-16,164.22

B. Amounts recognised in other comprehensive income

	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Remeasurements of defined benefit liability	4.30	-1.12	3.18	0.59	-0.15	0.44
	4.30	-1.12	3.18	0.59	-0.15	0.44

C. Reconciliation of effective tax rate

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Rate	Amount	Rate	Amount
Profit before tax		1,226.76		16,629.54
Tax using the Company's domestic tax rate	26.00%	318.96	26.00%	4,323.68
Tax effect of:				
On account of timing difference		-221.03		-4,279.90
On account of brought forward losses		3,561.15		-16,208.00
	26.00%	3,659.08	26.00%	-16,164.22

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D. Movement in temporary differences

	As at 31 March 2020	Recognized in P&L	Recognized in OCI	As at 31 March 2021
Deferred tax assets				
Property, plant and equipment	701.14	-68.01	-	633.13
Provisions for employee benefits	20.73	5.11	1.12	24.72
Trade receivables	555.42	20.20	-	575.62
Other non current financials assets- security deposits	0.93	-0.93	-	0.00
Brought forward losses	16,596.39	-3,561.15	-	13,035.24
Unwinding of finance cost on debenture	518.97	-21.16	-	497.81
Unwinding of finance cost on preference shares	1,964.22	-38.40	-	1,925.82
Sub- Total (a)	**20,357.80**	**-3,664.34**	**1.12**	**16,692.34**
Deferred tax liabilities				
Other non current assets- financial guarantee receivable	11.26	-1.37	-	12.63
Other current financials assets- advance to employees	0.32	0.29	-	0.03
Processing charges	15.02	5.51	-	9.51
Financial guarantee receivable	0.83	0.83	-	0.00
Sub- Total (b)	**27.43**	**5.26**	**-**	**22.17**
Net deferred tax assets (a)-(b)	**20,330.37**	**-3,659.08**	**1.12**	**16,670.17**

	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**

E. Income tax recognised directly in equity

	March 31, 2021			March 31, 2020		
	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, 2021	Expiry date	March 31, 2020	Expiry date
Expire	414.26	2021-22	8,814.83	2020-21
Expire	9,787.65	2022-23	4,959.29	2021-22
Expire	1,669.94	2023-24	9,871.34	2022-23
Expire	3,492.66	2024-25	3,492.66	2023-24
Expire	12.75	2025-26	12.75	2024-25
Expire	15,831.12	2026-27	16,020.00	2025-26
Expire	17,192.66	2027-28	18,590.01	2026-27
Never expire	1,734.50		2,071.40	

44 Corporate Social Responsibility

The board of directors approved CSR Policy of the Company at its meeting held on November 7, 2014. In accordance with the provisions of Section 135 of the Companies Act, 2013 read with guidelines issued by DPE, 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. During the FY 2019-20 Company spent Nil on CSR activities. Further, net worth of the Company during the FY 2019-20 was Rs. 241,849.10 Lacs, hence the provision for CSR was applicable during the FY 2020-21, however the Average Net Profit for last three years was negative, therefore there is no mandatory requirement to incur CSR expenditure for FY 2020-21 and hence during the FY 2020-21 Company spent Nil on CSR activities.

45 Expenditure in foreign currency

	March 31, 2021	March 31, 2020
Legal and Professional Charges	2,381.67	447.94
Business Promotion	-	10.16
Tours & Travelling	-	8.71
Books & Periodicals	-	0.09
	2,381.67	466.90

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46 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 Build Tech Private Limited
	:	Locus Propbuild Private Limited
	:	Mega City Promoters Private Limited
	:	MG Colonizers Private Limited (Till January 15, 2021)
	:	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
	:	Namokar Finvest Pvt. Ltd.
	:	Tabco Real Estate Private Limited

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	:	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/subsiduary 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
	:	Investment in Partnership - MGF Mall Management
	:	Investment in Partnership (MGF Event Management)
	:	Logistic Buildtech Pvt Ltd
	:	Vairagi Projects Private Limited
	:	Manbhav Projects Pvt.Ltd.
	:	MGF Automobiles Ltd. (Sale of Shares)
	:	MGF Housing and Infrastructure Private Limited
	:	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		
Director	:	Shravan Gupta
Director	:	Rakshit Jain
Chief Financial Officer (CFO)	:	Vijay Kumar Sharma
Company Secretary	:	Nupur Jain

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

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	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Intercorporate deposit taken	1.87	199.91	-	-	42.35	93.44	-	-	-	125.43	-	-	-	-
Intercorporate deposit repaid	-	128.93	-	-	-	88.72	-	-	-	473.60	-	-	-	-
Investment made	-	-	-	2.00	-	-	-	-	-	-	-	-	-	-
Sale of subsidiary	-	-	239.90	-	-	-	-	-	-	-	-	-	-	-
Reversal of sale	-	9.94	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses for the expenses done on behalf of related party	-	-	-	-	-	-	-	-	4.88	13.76	-	0.93	14.38	83.58
Expenses incurred by related party on behalf of company	-	-	-	-	-	-	-	-	-	-	-	-	7.15	5.32
Intercorporate deposit given	-	163	28.32	12.48	-	37.75	-	-	-	411.58	-	2,356.75	-	-
Intercorporate deposit received back	339.58	58	2.08	32.53	-	35.22	-	-	-	235.52	-	3,028.47	-	-
Advance given to staff	-	-	-	-	-	-	-	-	-	-	-	-	-	2.21
Electricity charges paid	-	-	-	-	-	-	-	-	2.79	3.36	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	66.00	66.00	-	-	-	-
Salary paid to KMPs	-	-	-	-	-	-	-	-	-	-	-	-	14.38	18.62
Directors Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	68.23	79.51
Outstanding balance														
OCL-Booking Advances from Customers	45.50	45.50	2,281.28	2,281.28	-	-	-	-	16.64	16.64	40.20	40.20	-	-
OCL-Other Payable	-	-	-	-	-	-	-	-	-	-	860.36	448.49	2.62	2.62
OCFL-Due to Joint Ventures	-	-	-	-	-	-	-	-	128.35	924.63	479.73	479.73	-	-
OCFL-Trade Payable for Services	-	-	-	-	-	-	-	-	12.82	12.82	1.65	1.65	-	-
Current borrowings_Directors	-	-	-	-	-	-	-	-	-	-	-	-	42.40	42.40
Current borrowings_Inter Corporate Deposit (Interest free)	382.70	380.83	-	-	143.13	100.78	-	-	-	-	15.00	15.00	-	-
Current borrowings_Inter Corporate Deposit bearing Interest	-	-	-	-	-	-	-	-	-	777.51	-	-	-	-
Security deposit receivable	-	-	-	-	-	-	-	-	2,389.36	2,389.36	-	-	-	-
Intercorporate deposit receivable	-	339.58	5,089.11	5,062.87	291.62	291.62	-	-	2,768.89	2,768.89	19,879.55	19,879.55	-	-
Other receivables	-	-	-	-	11.63	11.63	-	-	2,010.89	2,010.89	3,906.19	461.69	-	-
Booking Advance	-	-	-	-	-	2,630.00	-	-	-	-	-	-	-	-
Staff Advance	-	-	-	-	-	-	-	-	-	-	-	-	0.97	4.21
Adavance against land	-	-	-	-	-	-	-	-	-	-	-	-	2,197.36	2,197.36
Trade Payable -Project	-	-	-	-	-	-	-	-	269.20	269.20	-	-	-	-
Trade Receivable	-	-	-	-	-	-	-	-	-	-	97.57	124.74	-	-

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, 2021 the Company has not recorded any impairment of receivables relating to amounts owed by related party (March 31, 2020: 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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47. 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 2020

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			

ii. As on 31 March 2021

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments	-	-	16,119.42	16,119.42	-	-	-
Other financial assets	-	-	423.79	423.79	-	-	-
Current							
Investments	-	-	40.55	40.55	-	-	-
Trade receivables	-	-	746.95	746.95	-	-	-
Cash and cash equivalents	-	-	895.55	895.55	-	-	-
Bank balances other than Cash and Cash equivalents	-	-	517.45	517.45	-	-	-
Other financial assets	-	-	2,31,809.48	2,31,809.48	-	-	-
Total	-	-	2,50,553.19	2,50,553.19			
Financial liabilities							
Non-current							
Borrowings	-	-	4,550.10	4,550.10	-	-	-
Current							
Borrowings	-	-	11,207.23	11,207.23	-	-	-
Trade payables	-	-	9,712.33	9,712.33	-	-	-
Other current financial liabilities	-	-	1,33,239.93	1,33,239.93	-	-	-
Total	-	-	1,58,709.59	1,58,709.59			

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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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, 2021	March 31, 2020
Investments	16,159.97	15,930.91
Trade receivables	746.95	880.18
Cash and cash equivalents	895.55	257.11
Bank balances other than Cash and Cash equivalents	517.45	251.66
Other financial assets	2,32,233.27	2,30,465.98

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, 2021	March 31, 2020
1-90 days past due	127.70	338.45
90-180 days past due	40.29	4.42
180-270 days past due	15.15	5.59
270-360 days past due	15.09	-
more than 360 days past due	2,764.15	2,668.00
	2,962.38	3,016.46

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, 2021	Year ended March 31, 2020
Balance at the beginning	2,136.27	2,242.40
Impairment loss recognised / (reversed)	77.67	-106.13
Amount written off	-	-
Balance at the end	2,213.94	2,136.27

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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 895.55 lacs as at 31 March 2021 (31 March 2020: INR 257.11 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 2021	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non-current borrowing	4,550.10	-	1,996.36	2,553.74	4,550.10
Current borrowing	11,207.23	11,207.23	-	-	11,207.23
Trade payables	9,712.33	9,712.33	-	-	9,712.33
Current maturities of Loans from Financial Institution	285.38	285.38	-	-	285.38
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	1,084.78	1,084.78	-	-	1,084.78
Security Deposits - Others	7,000.00	7,000.00	-	-	7,000.00
Due to Joint Ventures	8,159.97	8,159.97	-	-	8,159.97
Trade Payable for Capital Goods	136.09	136.09	-	-	136.09
Total	1,58,709.59	1,54,159.49	1,996.36	2,553.74	1,58,709.59

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
Book Overdebts	0.00	0.00	-	-	0.00
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

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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 sensitivitty 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.

Variable-rate instruments	As at 31 March 2021	As at 31 March 2020
Borrowing (Non current)	4,550.10	4,016.57
Current maturities of borrowings	285.38	277.72
Borrowing (current)	11,207.23	12,269.83
Total	16,042.71	16,564.12

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 2021	-26.37	26.37	-19.51	19.51
For the year ended 31 March 2020	-24.21	24.21	-17.92	17.92

48 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).

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings	16,042.71	16,564.12
Less : Cash and cash equivalent	895.55	257.11
Adjusted net debt (A)	15,147.16	16,307.01
Total equity (B)	2,43,079.04	2,41,849.10
Adjusted net debt to adjusted equity ratio (A/B)	6.23%	6.74%

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49 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.

50 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.

51 These financial statements were authorized for issue by Board of Directors on October 11, 2021.

52 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

SAMPRK & ASSOCIATES CHARTERED ACCOUNTANTS DELHI

CA Keshav Kumar
(Partner)
Membership Number: 088271

UDIN - 21088271AAAAAH8953

Place: New Delhi
Date :
11 OCT 2021

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

Rakshit Jain
Director & CEO
DIN : 00607288

Shashwat Gaur
(Director)
DIN - 09047030

Nupur Jain
Company Secretary
M.No. 36044

Vijay Kumar Sharma
CFO

Place : New Delhi
Date :
11 OCT 2021

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