S.R. BATLIBOI & CO. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Emaar MGF Land Limited

Report on the Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Emaar MGF Land Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to:

(a) Note 30 (c) (xii) to the accompanying standalone Ind AS financial statements which states that the Company and its development partners are involved in litigations relating to allegations of various irregularities with respect to a project undertaken in Hyderabad, which are being contested by the Company and more fully described therein.

(b) Note 30 (c) (xiii) to the accompanying standalone Ind AS financial statements which, describes an ongoing litigation in relation to a project undertaken by one of the subsidiaries of the Company, Emaar MGF Construction Private Limited ("EMCPL") and fully described therein.

(c) Note 42 to the accompanying standalone Ind AS financial statements which, state that the Company has incurred cash losses in the current year. This along with other matters set forth in the said note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's 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 the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

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

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of 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 aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) 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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 30 (c) to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. The Company has provided requisite disclosures in Note 45 to this standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Naman Agarwal
Partner
Membership Number: 502405

Place of Signature: Gurgaon
Date: 25 May 2017

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date
Re: Emaar MGF Land Limited (the Company)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) All items of property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The Company does not hold any inventories of stores, spare parts and raw materials. Inventory comprises of only projects in progress and some merchandise items in respect of its leisure business. According to the information and explanations given to us, and also keeping in view the nature of the operations of the Company, inventory of projects in progress cannot be physically verified. In respect of the merchandise inventory, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

(iii) (a) In respect of loans to companies, firms or other parties covered in the register maintained under section 189 of the Act, the Company has granted loans to some such companies which are also its wholly owned subsidiaries. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans not prejudicial to the Company's interest.

(b) The loans granted to such wholly owned subsidiaries, we are informed are re-payable on demand and that the Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.

(c) There are no amounts of loans granted to such wholly owned subsidiaries, which are outstanding for more than ninety days from the date they became due for repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors or to any company in which the director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made, and guarantees and securities given, have been complied with by the Company.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the Company's real estate projects, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, customs duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to employees' state insurance and excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, sales-tax, customs duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance and excise duty are not applicable to the Company

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. million)	Period of which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	7.35*	AY 2006-07	ITAT
Income Tax Act, 1961	Income Tax	26.80**	AY 2006-07	CIT (Appeals)
Income Tax Act, 1961	Income Tax	63.65	AY 2010-11	CIT (Appeals)
Finance Act, 1994	Service Tax	24.45***	FY 2007-08 to FY 2009-10	Company is in the process of filing an appeal with CESTAT, Delhi

* Includes Rs 6.53 million for which revenue has gone in for an appeal. During the current year, Income Tax Appellate Tribunal has referred the matter to Assessing Officer.
** Deposited under protest/ adjusted against future demands
***Excluding interest and penalty thereon of Rs. 24.45 million

The provisions relating to excise duty are not applicable to the Company.

(viii) According to the information and explanations given by the management, the Company has delayed in repayment of dues to financial institutions, banks, debenture holders and government during the year. Of such delays Rs. 2,324.96 million relating to deferred payment liability (including interest thereon) towards development charges payable to the Government for the period from January 2009 to March 2017 remained in arrears as at the balance sheet date.

(ix) According to the information and explanations given by the management, the Company has neither raised any monies by way of initial public offer / further public offer / debt instruments during the year nor did it have any such unutilised balances at the beginning of the year and monies raised through term loans were ultimately applied for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, we report that the 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 Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Naman Agrawal
Partner
Membership Number: 502405

Place of Signature: Gurgaon
Date: 25 May 2017

Annexure 2 referred to in paragraph 2 (g) under the heading "Report on other legal and regulatory requirements" of our report of even date on the standalone financial statements of Emaar MGF Land 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 Emaar MGF Land Limited ("the Company") as of March 31, 2017 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 controls 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. 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 the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 was 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A 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 financial statements for external purposes in accordance with generally accepted accounting principles. A 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2017, 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.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Nitnam Agarwal
Partner
Membership Number: 302409

Place of Signature: Gurgaon
Date: 25 May 2017

EMAAR MGF LAND LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	[illegible]	[illegible]	[illegible]	[illegible]
Capital work-in-progress	[illegible]	[illegible]	[illegible]	1,005.[illegible]
Intangible assets	[illegible]	[illegible]	[illegible]	[illegible]
Financial assets				
Investments	[illegible]	[illegible]	[illegible]	[illegible]
Loans	[illegible]	[illegible]	[illegible]	[illegible]
Other non-current assets	[illegible]	[illegible]	[illegible]	[illegible]
		[illegible]	[illegible]	[illegible]
Current assets				
Inventories	12	[illegible]	[illegible]	[illegible]
Financial assets				
Investments	[illegible]	[illegible]	[illegible]	[illegible]
Loans	[illegible]	[illegible]	[illegible]	[illegible]
Trade receivables	[illegible]	[illegible]	[illegible]	[illegible]
Cash and cash equivalents	[illegible]	[illegible]	[illegible]	[illegible]
Other bank balances	[illegible]	[illegible]	[illegible]	[illegible]
Other financial assets	[illegible]	[illegible]	[illegible]	[illegible]
Current tax assets (net of provisions)		[illegible]	[illegible]	[illegible]
Other current assets	[illegible]	[illegible]	[illegible]	[illegible]
		[illegible]	[illegible]	[illegible]
Assets classified as held for distribution	[illegible]	[illegible]	-	-
Total Assets		[illegible]	[illegible]	[illegible]
EQUITY AND LIABILITIES				
Equity				
Equity share capital	[illegible]	[illegible]	[illegible]	[illegible]
Other equity		[illegible]	[illegible]	[illegible]
Total equity		[illegible]	[illegible]	[illegible]
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Long-term borrowings	[illegible]	[illegible]	[illegible]	[illegible]
Current liabilities				
Financial liabilities				
Short-term borrowings	[illegible]	[illegible]	[illegible]	[illegible]
Trade payables	[illegible]	[illegible]	[illegible]	[illegible]
Other financial liabilities	[illegible]	[illegible]	[illegible]	[illegible]
Other current liabilities	[illegible]	[illegible]	[illegible]	[illegible]
Provisions	[illegible]	[illegible]	[illegible]	[illegible]
Total liabilities		[illegible]	[illegible]	[illegible]
Liabilities classified as held for distribution	[illegible]	[illegible]		-
Total Equity and Liabilities		[illegible]	[illegible]	[illegible]

The accompanying notes are an integral part of the Balance Sheet

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm registration number: [illegible]
Chartered Accountants

per [illegible]
Partner
Membership No.: [illegible]

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

Haroon Saeed Siddiqui
Director
DIN: [illegible]

[illegible]
Director
DIN: [illegible]

Sanjay Malhotra
Chief Executive Officer

Rahul Bindle
Chief Financial Officer

Bharat Bhushan Garg
Company Secretary

Place: Gurgaon
Date: May [illegible], 2017

EMAAR MGF LAND LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

	Notes	31 March 2017	31 March 2016
Revenue from operations	32	9,396.72	6,589.62
Other income	33	255.12	4,434.24
Total Income (I)		9,651.84	11,023.86
EXPENSES			
Decrease in inventories	34	740.81	2,095.17
Cost of land and development rights acquired		399.32	1,600.86
Material & contract contractor expense		2,005.12	2,133.48
Employee benefits expense	35	519.58	795.69
Depreciation and amortization expense	27	25.10	32.09
Finance costs	36	6,998.21	4,290.37
Other expenses	28	6,411.21	2,565.80
Total Expenses (II)		17,195.45	17,430.35
Loss before tax (I-II)		(7,543.61)	(6,406.49)
Income tax expense		-	-
Loss for the year		(7,543.61)	(6,406.49)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement gains/(loss) on defined benefit plan		(3.12)	9.90
Other comprehensive income/(loss) for the year, net of tax		(3.12)	9.90
Total comprehensive loss for the year, net of tax		(7,546.73)	(6,396.59)
Earnings (loss) per equity share (computed on the basis of profit/loss for the year) (in Rs.)			
(1) Basic	29	(8.27)	(7.02)
(2) Diluted	29	(8.27)	(7.02)

The notes referred to above and notes to accounts form an integral part of the Balance Sheet

As per our report of even date

For S. R. Batliboi & Co. LLP
Firm registration number 301003E/E300005
Chartered Accountants

per Manoj Agarwal
Partner
Membership No.: 502405

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

Hamad Saeed Siddiqui
Director
DIN-07287015

Ashish Narayan Prasad Kalra
Director
DIN-06459714

Sanjay Malhotra
Chief Executive Officer

Rahul Bindle
Chief Financial Officer

Bharat Bhushan Garg
Company Secretary

Place: Gurgaon
Date: May 25, 2017

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

EMAAR MGF LAND LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017
(All amounts in Rupees lakhs, unless otherwise stated)

	31 March 2017	31 March 2016
Cash flows from operating activities		
Loss before tax	[illegible]	[illegible]
Adjustments for:		
Depreciation and amortisation expense	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Loss on sale of property, plant and equipment	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest income	[illegible]	[illegible]
Interest and finance charges	[illegible]	[illegible]
Provision for doubtful debts and advances	[illegible]	[illegible]
[illegible]	-	[illegible]
[illegible]	-	[illegible]
[illegible]		[illegible]
[illegible]		[illegible]
Liabilities no longer required written back	[illegible]	[illegible]
	[illegible]	[illegible]
Movement in working capital:		
Decrease in trade payables and other financial liabilities	[illegible]	[illegible]
[illegible] in trade receivables	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Decrease in inventories	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Cash (used in)/generated from operations	[illegible]	[illegible]
Income taxes paid	[illegible]	[illegible]
Net cash (used in)/flow from operating activities (A)	[illegible]	[illegible]
Cash flows from investing activities		
Payments made for property, plant and equipment including capital work in progress and capital advances	[illegible]	[illegible]
Proceeds from sale of property, plant and equipment	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest received	[illegible]	[illegible]
Net cash flows from investing activities (B)	[illegible]	[illegible]
Cash flows from financing activities		
Proceeds from long term borrowings	[illegible]	[illegible]
Repayment of long term borrowings	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest and finance charges paid	[illegible]	[illegible]
Net cash generated from/(used in) financing activities (C)	[illegible]	[illegible]
Net change in cash and cash equivalents (A+B+C)	[illegible]	[illegible]
Cash and cash equivalents at the beginning of the year	[illegible]	[illegible]
Cash and cash equivalents at the end of the year (refer note [illegible])	[illegible]	[illegible]

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

As per our report of even date

For S.R. Batliboi & Co. LLP
Firm registration number: [illegible]
Chartered Accountants

per [illegible]
Partner
Membership No.: [illegible]

S.R. BATLIBOI & CO. LLP GURGAON

Place: Gurgaon
Date: [illegible] 2017

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

[illegible]
Director
DIN: [illegible]

[illegible]
Director
DIN: [illegible]

[illegible]
Chief Executive Officer

[illegible]
Chief Financial Officer

[illegible]
Company Secretary

EMAAR MGF LAND LTD. NEW DELHI

EMAAR MGF LAND LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees lakhs, unless otherwise stated)

For the year ended 31 March 2017

(a) Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No.	Amount
At 1 April 2015	[illegible]	[illegible]
At 31 March 2016	[illegible]	[illegible]
At 31 March 2017	[illegible]	[illegible]

(b) Other equity

	Equity component of convertible debentures	Reserves and surplus: Securities premium reserve (a)	Capital redemption reserve (b)	Capital reserve (c)	Debenture redemption reserve (d)	Retained earnings	Total
As at 1 April 2015	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(Loss) for the year					-	[illegible]	[illegible]
Other comprehensive income/ (loss) for the year	-					[illegible]	[illegible]
Total comprehensive income/(loss)		-	-	-	-	[illegible]	[illegible]
As at 31 March 2016	1,848.35	[illegible]	8,610.35	3,892.78	735.13	[illegible]	[illegible]
(Loss) for the year				-	-	[illegible]	[illegible]
Other comprehensive income/ (loss) for the year						[illegible]	[illegible]
Total comprehensive income/(loss)	-	-	-	-	-	[illegible]	[illegible]
As at 31 March 2017	1,848.35	[illegible]	8,610.35	3,892.78	735.13	[illegible]	[illegible]

Other equity comprise of:
(a) Securities premium reserve:
[illegible]
(b) Capital redemption reserve:
[illegible]
(c) Capital reserve:
[illegible]
(d) Debenture redemption reserve:
[illegible]

As per our report of even date

For S.R. Batliboi & Co. LLP
[illegible]
Chartered Accountants

per [illegible]
Partner
Membership No.: [illegible]

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

[illegible]
Director
[illegible]

[illegible]
Director
[illegible]

Sanjay Malhotra
Chief Executive Officer

Rahul Bindle
Chief Financial Officer

Bharat Bhushan Garg
Company Secretary

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD NEW DELHI

Place: Gurgaon
Date: [illegible]

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

1. Corporate information

Emaar MGF Land Limited ('the Company'), is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is 57.33% subsidiary of Emaar Holding II (Dubai, UAE). Its debentures are listed on Bombay stock exchange in India. The registered office of the Company is located at ECE House, 28, Kasturba Gandhi Marg, New Delhi- 110001. The principal place of business of the Company is located at Emaar Business Park, MG Road, Sikanderpur, Sector-28 Gurgaon- 122002, Haryana

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, SEZs, etc.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 25, 2017.

2. Application of new and revised Indian Accounting Standards

Ministry of Company Affairs in India (MCA) notified Companies (Indian Accounting Standards) (Amendment) Rules, 2017 to amend Indian Accounting Standard 7- Statement of Cash flows (Ind AS 7). The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and its consequential effects on the financial statements.

3. Significant accounting policies

3.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 read with rule 4A of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and the relevant provisions of the Companies Act, 2013.

For all periods up to and including the year ended 31 March 2016, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2017 are the first financial statements that the Company has prepared in accordance with Ind AS. The transition to Ind AS was carried out in accordance with Ind AS 101 "*First Time Adoption of Indian Accounting Standards*" with the date of transition as April 01, 2015. Refer note 47 for information on how the Company adopted Ind AS.

The financial statements have been prepared on going concern basis using a historical cost convention, except certain financial assets and financial liabilities which are measured at fair value (refer 3.2 below)

The financial statements are presented in INR which is assessed to be the functional currency of the Company in accordance with Ind AS. All values are rounded to the nearest million (INR 000,000), except when otherwise indicated

3.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has determined its operating cycle, as explained in Schedule III of the Companies Act, 2013, as sixty months for Construction and Development business and as twelve months for Leisure and Hospitality business, having regard to the nature of business being carried out by the Company. The same has been considered for classifying assets and liabilities as 'current' and 'non current' while preparing the financial statements.

b. Fair value measurement

The Company measures financial instruments, such as, short term investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly 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 by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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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) market 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Board of Directors and Audit Committee determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets or disposal group held for distribution to shareholders.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

At each balance sheet date, the Company measures the fair value of the short term investments in mutual funds on the basis of market value of the quoted instruments i.e. Net Asset value (NAV) of short term investments held for trading. The Company uses level 3 measurement technique for the fair valuation of investment in the compulsory convertible debentures of one of its subsidiary.

c. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation], net of accumulated depreciation and accumulated impairment losses, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets estimated by the management based on technical evaluation:-

	Useful lives estimated by the management (years)
Buildings	60
Plant and Machinery	5
Furniture and fixtures	6.67

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Office equipment	5
Vehicles	5
Computers	3

Cost of Model Homes, included under Buildings / Furniture and Fixtures, is depreciated uniformly over the period of construction of the respective projects i.e. 3 to 5 years.

Temporary structures, included under Buildings, are fully depreciated in the year of capitalization.

The useful life of the assets is either lower or equal to those indicated in Schedule II to the Companies Act 2013.

Leasehold Improvements are amortized on a straight line basis over the period of the lease of 1-3 years or the useful life of the asset, whichever is lower.

No amortisation is made for leasehold land which is under perpetual lease.

The useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d. Intangible assets

Intangible assets comprise of computer softwares which are measured on at cost upon initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation.

Intangible assets are amortised on a straight line basis over the useful economic life which is assessed to be between one to three years by the management.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

e. Non-current asset/disposal group held for distribution

Non-current assets and disposal groups are classified as held for distribution if the entity is committed to distribute the assets or disposal group to the owners. This condition is regarded as met only when the distribution is highly probable and the asset (or disposal group) is available for immediate distribution in its present condition. Management must be committed to distribute which should be expected to be completed within one year from the date of classification.

Non-current assets and disposal groups held for distribution to owners are measured at the lower of their carrying amount and the fair value less costs to distribute. Assets, liabilities and disposal group classified as held for distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for distribution to owners are not depreciated or amortised.

f. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other borrowing costs that an entity incurs in connection with the borrowing of funds.

Eligible transaction/ ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

g. **Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

h. **Inventories**

Inventory comprises of Completed Property for Sale, Projects in Progress and Merchandise Stock.

(i) Completed property for sale is valued at lower of cost and net realizable value. Cost includes cost of land / land development rights, materials, services, borrowing costs and other related overheads, incurred in bringing the inventories to their present location and condition.

(ii) Projects in progress are valued at lower of cost and net realizable value. Cost includes land and cost of land / land development rights, materials, services, borrowing costs and other related overheads. Cost incurred / items made specifically for projects are taken as consumed as and when incurred / received.

(iii) Merchandise stock is valued at lower of cost and net realizable value.

Costs are determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business based on market price at the reporting date and discounted for the time value of money if material, less estimated costs of completion and estimated costs necessary to make the sale.

i. **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments.

Sales tax/ value added tax (VAT) and service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the property by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria describe below must also be met before revenue is recognised.

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Revenue from real estate developments

Real Estate projects

i) Revenue is recognized, for projects that are construction type contracts in relation to the sold areas only, upon transfer of all significant risks and rewards of ownership of such property as per the terms of the contracts entered into with buyers, which generally coincides with firming up of the legally enforceable buyers' agreement, on the basis of percentage of completion as and when all of the following conditions are met:

a. All critical approvals necessary for commencement of the project have been obtained;
b. The expenditure incurred on construction and development costs is at least 25 % of the construction and development costs (without considering land cost);
c. At least 25% of the saleable project area is secured by contracts or agreements with buyers,
d. At least 10 % of the contract consideration as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect parties to such contract will comply with payment terms as defined in contract.

Cost of Construction/ Development (including cost of land/ land development rights) is charged to the statement of profit and loss proportionate to the revenue recognized.

The estimates of the projected revenue, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Revenue recognised is net of cancellation accepted by the Company.

Liquidated damages / penalties which are paid or payable pursuant to court's order or otherwise on the basis of settlement arrangement done with the customers are recognised as an expense in the statement of profit and loss

ii) Revenue from sale of property other than that mentioned under (i) above is recognized upon transfer of all significant risks and rewards of ownership of such property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming up of the sales contracts/ agreements.

iii) Gain/Loss from sale of undeveloped unsuitable land is recognized in the financial year in which transfer is made by registration of sale deeds or otherwise in favour of the buyers.

iv) Revenue from Collaboration Agreements is recognized as and when services are rendered, in accordance with the terms of the agreements entered with the collaborators, based on the a percentage share of gross revenue of the collaborators.

v) Revenue recognition for Joint Development Agreement (JDA) executed with land owners:

JDAs entered into with land owners for the exchange of land against consideration in the form of property or development rights are treated as exchange of dissimilar goods and are accounted for at fair value. The revenue arising out of the same is measured at the fair value of the goods received. When the fair value of the goods received cannot be measured reliably, the revenue is measured at the fair value of the goods given up.

vi) Brokerage and selling commission on real estate sales is accounted for as and when the same accrues in accordance with the terms of agreement entered into with brokers. Brokerage and selling commission is charged off to the statement of profit and loss in proportion to the revenue from real estate recognised by the Company.

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Interest due on delayed payments and forfeiture income on cancelled units

Revenue is recognised as and when due to the extent certainty of payments/ realisation is established in relation to such income.

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 the cost of the land acquired by the Government.

Revenue from Hospitality and Leisure Activities

Revenue is recognized 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). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Income from Registration fees

Amounts received from customers on transfer of ownership of property during the construction period is accounted for on as and when due basis.

Dividend income

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

j. **Foreign currencies**

The Company's financial statements are presented in INR, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

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k. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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l. **Retirement and other employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the service rendered by employees are recognised during the period when the employee renders the services.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. Gratuity is a defined benefit obligation.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

m. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and

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loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Premium on lease-hold land (except in case of perpetual lease) is amortised over the period of lease. In case of perpetual lease, the arrangement is accounted for as a finance lease in the balance sheet and rentals paid are recognised as finance costs in the statement of profit and loss.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. However, rent expenses are not straight-lined, wherever the escalation in rentals is in line with expected inflationary cost.

n. **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o. **Earnings per share**

Basic earnings per equity share are computed by dividing net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

p. **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

q. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. Losses arising from impairment are recognised in the statement of the profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investments in the equity instruments of subsidiaries, joint venture and associate companies are measured at cost in accordance with the principles of Ind AS 27- Separate Financial Statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures

(a) Financial assets that are debt instruments, and are measured at amortised cost, e.g., loans, debt securities, deposits, trade receivables and bank balance
(b) Financial assets that are debt instruments and are measured as at FVTOCI
(c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- *Financial assets measured as at amortised cost*: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The subsequent measurement of financial liabilities is as under:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16 and 17.

Other financial liabilities such as trade payables, other liabilities, etc. are also subsequently measured at amortised cost.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.5 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Significant estimates

i) Project cost estimates

The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require estimates to be made for changes in work scopes, claims (compensation, rebates, etc.), the cost of meeting other contractual obligations to the customers and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making these estimates, the Company used the available contractual and historical information and also its expectations of future costs.

ii) Assessment of operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has determined its operating cycle as sixty months for Construction and Development business and as twelve months for Leisure and Hospitality business, having regard to the nature of business being carried out by the Company. The same has been considered for classifying assets and liabilities as 'current' and 'non-current' while preparing the financial statements.

iii) Recoverability of financial assets

The Company estimates the recoverable amount of trade and other receivables where collection of the full amount is expected to be no longer probable. For individually significant amounts, this estimation is performed on an individual basis considering the length of time past due, financial condition of the counter- party, impending legal disputes, if any and other relevant factors (refer note 8,10,11 and 13)

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EMAAR MGF LAND LTD NEW DELHI *

iv) **Estimation of net realisable value for inventory property**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion (refer note 12).

v) **Cash flow projections**

The Company has prepared these financial statements on going concern basis assuming that it is able to continue its operations for next one financial year. In making this assumption, the management has made certain projections relating to cash collections from various projects, fund requirements, asset base, etc. for the next one financial year as further explained in note 42.

b. Significant judgements

i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. The liabilities which are assessed as possible and hence are not recognised in these financial statements are disclosed in note 30 (c).

S.R. BATLIBOI & CO. LLP * GURGAON *

EMAAR MGF LAND LTD NEW DELHI *

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

4. Property, plant and equipment

	Land-Freehold	Land on lease	Buildings	Leasehold Improvements	Plant and Machinery	Office Equipments	Computers	Furniture and Fixtures	Vehicles	Capital Work in Progress	Total
Cost											
As at April 1, 2015	525.50	4,851.75	79.56	54.92	47.74	64.31	128.37	229.20	[illegible]	1,038.65	[illegible]
Additions	-				0.10	-	3.06	-	-	9.55	[illegible]
Less: Disposals	-				0.22	1.43	2.30	1.16	9.12	-	[illegible]
As at March 31, 2016	525.50	4,851.75	79.56	54.92	47.62	62.88	129.13	228.04	56.87	[illegible]	[illegible]
Additions	-	-	-	5.22	-	0.42	13.61	2.33	0.02	[illegible]	[illegible]
Less: Classified as held for distribution (note 16)		4,851.75	-	-	0.48	0.98	-	0.86	-	[illegible]	[illegible]
Less: Transfer to property, plant and equipment				-	-	-	-	-	-	9.16	[illegible]
Less: Disposals			34.56	11.16	0.27	15.45	5.22	21.32	13.85	-	[illegible]
As at March 31, 2017	525.50		45.00	48.49	46.87	47.38	137.52	208.09	42.54	47.17	1,147.67
Depreciation											
As at April 1, 2015			53.79	51.91	43.62	55.21	120.39	210.92	62.64	-	[illegible]
Depreciation charge for the year (note 27)	-	-	15.09	5.01	2.01	2.37	1.96	8.28	3.02	-	[illegible]
Less: Disposals	-	-	-	-	0.22	1.12	2.73	1.17	8.62	-	[illegible]
As at March 31, 2016	-	-	68.88	56.92	45.39	56.92	120.72	218.04	56.98	-	[illegible]
Depreciation charge for the year (note 27)	-	-	7.52	0.49	1.20	1.51	1.00	6.11	2.70		[illegible]
Less: Classified as held for distribution (note 16)	-	-	-	-	0.34	1.43	-	0.40	-		[illegible]
Less: Disposals			34.39	16.46	2.27	15.84	4.54	21.45	11.81		[illegible]
As at March 31, 2017			42.01	40.95	45.98	46.40	116.68	202.25	42.45	-	557.80
Net book value											
As at March 31, 2017	525.50	-	2.99	5.53	0.89	1.08	19.04	5.75	0.31	47.17	649.77
As at March 31, 2016	525.50	4,851.75	10.68	-	2.23	7.17	8.41	10.00	[illegible]	[illegible]	[illegible]
As at April 1, 2015	525.50	4,851.75	25.77	3.01	4.14	9.10	7.98	18.28	3.85	1,038.65	[illegible]

Particulars	31 March 2017	31 March 2016	1 April 2015
Net book value			
Property, plant & equipment	602.60	5,199.27	5,411.11
Capital work in progress	47.17	1,236.87	1,038.65
Total	649.77	6,436.13	6,449.76

Notes:-

i) Freehold land includes a small portion of leasehold land, the value for which cannot be separately ascertained.

ii) Land on lease includes land of Rs. 4,851.75 million (March 31, 2016: Rs. 4,851.75 million and April 1, 2015: Rs. 4,851.75 million) which has been acquired under the perpetual lease from Delhi Development Authority and [illegible] has been done for the same.

iii) For the details of property, plant and equipment mortgaged or subject to a charge on the Company's borrowings, please refer note 15 and 19.

Capital work in progress

Capital work in progress as at March 31, 2017 comprises expenditure on construction and development of certain project related to hotel operations and sales centre by the Company.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

5. Intangible assets

	Computer Software
Cost	
As at April 1, 2015	62.24
Additions	0.65
Disposals	-
As at March 31, 2016	**62.89**
Additions	3.66
Disposals	-
As at March 31, 2017	**66.55**
Amortisation	
As at April 1, 2015	60.61
Charge for the year (note 27)	1.45
As at March 31, 2016	**62.06**
Charge for the year (note 27)	0.95
Adjustments / deletions	
As at March 31, 2017	**63.01**
Net book value:	
As at March 31, 2017	**3.54**
As at March 31, 2016	0.83
As at April 1, 2015	1.63

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

6. Financial Assets: Investments (non current)

	31 March 2017	31 March 2016	1 April 2015
(a) Investments in equity shares (unquoted)			
Investments in subsidiary companies at cost			
[illegible] Private Limited	0.15	[illegible]	[illegible]
[illegible] Private Limited	[illegible]	[illegible]	
[illegible] Private Limited	[illegible]	[illegible]	
[illegible] Private Limited	0.10	[illegible]	-
[illegible] Private Limited	0.10	[illegible]	-
[illegible] Private Limited	0.10	[illegible]	-
[illegible] Private Limited	-		[illegible]
[illegible] Private Limited	[illegible]	[illegible]	-
[illegible] Private Limited	[illegible]	[illegible]	-
[illegible] Private Limited	0.10	0.10	[illegible]
[illegible] Private Limited	0.10	0.10	[illegible]
[illegible] Private Limited	[illegible]	605.21	[illegible]
[illegible] Private Limited	-		0.10
[illegible] Private Limited	-		0.10
[illegible] Private Limited	0.10	0.10	0.10
[illegible] Private Limited	0.10	0.10	0.10
[illegible] Private Limited	0.10	0.10	0.10
[illegible] Private Limited	20.08	20.08	
[illegible] Private Limited	[illegible]	[illegible]	-
[illegible] Private Limited	[illegible]	[illegible]	-
[illegible] Private Limited	19.12	19.12	
[illegible] Private Limited	[illegible]	[illegible]	[illegible]
[illegible] Private Limited	[illegible]	[illegible]	[illegible]
[illegible] Private Limited	[illegible]	[illegible]	
[illegible] Private Limited	20.08	20.08	-
[illegible] Private Limited	0.10	0.10	[illegible]
[illegible] Private Limited	0.10	0.10	[illegible]
[illegible] Private Limited	0.10	0.10	-
[illegible] Private Limited	0.10	0.10	-
[illegible] Private Limited	[illegible]	[illegible]	-
[illegible] Private Limited	21.99	21.99	
[illegible] Private Limited	[illegible]	60	[illegible]
[illegible] Private Limited	[illegible]	0.10	-
[illegible] Private Limited	[illegible]	[illegible]	[illegible]
[illegible] Private Limited	[illegible]	[illegible]	[illegible]

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees lakhs, unless otherwise stated)

6. Financial assets - Investments (non-current)

	31 March 2017	31 March 2016	1 April 2015
[illegible] fully paid up in [illegible] Private Limited	[illegible]	[illegible]	[illegible]
[illegible] each in [illegible] Private Limited	[illegible]	[illegible]	-
[illegible] Private Limited	[illegible]	[illegible]	
[illegible] paid up in [illegible] Private Limited	[illegible]	[illegible]	-
[illegible] in [illegible] Limited	[illegible]	-	-
[illegible] paid up in [illegible] Private Limited	[illegible]	[illegible]	-
[illegible] each fully paid up in [illegible] Private Limited	[illegible]	[illegible]	[illegible]
[illegible] each fully paid up in [illegible] Private Limited	1.00	1.00	1.00
	[illegible]	[illegible]	[illegible]
Investment in joint venture (unquoted), at cost			
[illegible] each fully paid up in [illegible] Private Limited	[illegible]	[illegible]	[illegible]
Less: Provision for diminution in the value of investment	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Investment in associate (unquoted), at cost			
[illegible] each fully paid up in [illegible] Private Limited	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Investments in equity instruments of other companies at fair value through profit and loss (FVTPL)			
[illegible] equity shares of [illegible]	-		
	[illegible]	[illegible]	[illegible]
(b) Investments in debentures at fair value through profit and loss (FVTPL)			
Investment in subsidiary company (unquoted)			
[illegible] Debentures of [illegible] each fully paid up in [illegible] Private Limited [illegible]	-	[illegible]	[illegible]
		[illegible]	[illegible]
(c) Government and trust securities (unquoted), at amortised cost			
[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Assets classified as held for distribution (note [illegible])	[illegible]		
Total	[illegible]	[illegible]	[illegible]

* Pledged with [illegible]

	31 March 2017	31 March 2016	1 April 2015
Aggregate value of unquoted investments	[illegible]	[illegible]	[illegible]

7. Financial Assets - Others (non-current), at amortised cost

	31 March 2017	31 March 2016	1 April 2015
Security deposits			
Unsecured, considered good	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Assets classified as held for distribution (note [illegible])	[illegible]		
	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

[illegible] Other assets

	Non Current			Current		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Capital advances						
Unsecured, considered good	0.16	1.31	28.15		-	
Doubtful	[illegible]	[illegible]	[illegible]		-	-
	[illegible]	[illegible]	[illegible]	-		-
Provision for doubtful capital advances	[illegible]	[illegible]	[illegible]	-		-
	0.16	1.31	28.15		-	
Security deposits	-		-	[illegible]	[illegible]	[illegible]
Compensation recoverable*	-	-	-	[illegible]	[illegible]	[illegible]
Advances to related parties						
Unsecured, considered good	-	-	-	[illegible]	[illegible]	[illegible]
Doubtful	-		-	[illegible]	[illegible]	[illegible]
	-		-	[illegible]	[illegible]	[illegible]
Provision for doubtful loans and advances to related parties	-	-	-	[illegible]	[illegible]	[illegible]
		-	-	51,093.51	[illegible]	[illegible]
Advances for land and land development rights**						
Unsecured, considered good	-		-	[illegible]	[illegible]	[illegible]
Doubtful	-		-	[illegible]	[illegible]	[illegible]
	-	-	-	[illegible]	[illegible]	[illegible]
Provision for doubtful advances		-	-	[illegible]	[illegible]	[illegible]
	-		-	[illegible]	[illegible]	[illegible]
Advances recoverable***						
Unsecured, considered good	-		-	[illegible]	[illegible]	[illegible]
Doubtful	-	-	-	[illegible]	[illegible]	[illegible]
	-	-		[illegible]	[illegible]	[illegible]
Provision for doubtful advances recoverable		-		[illegible]	[illegible]	[illegible]
	-		-	[illegible]	[illegible]	[illegible]
Advances to employees						
Unsecured, considered good	-		-	[illegible]	[illegible]	[illegible]
Doubtful	-	-	-	[illegible]	[illegible]	[illegible]
	-	-		[illegible]	[illegible]	[illegible]
Provision for doubtful advances to employees		-		[illegible]	[illegible]	[illegible]
	-		-	[illegible]	[illegible]	[illegible]
Other Advances (Unsecured, considered good)						
Prepaid expenses	-		-	[illegible]	[illegible]	[illegible]
Balance with statutory authorities	-	-		[illegible]	[illegible]	[illegible]
		-		[illegible]	[illegible]	[illegible]
	0.16	1.31	[illegible]	[illegible]	[illegible]	[illegible]
Assets classified as held for sale (Note 45)	-		-	[illegible]	-	-
Total	[illegible]	1.31	[illegible]	[illegible]	[illegible]	[illegible]

* Compensation recoverable [illegible]

** [illegible]

*** [illegible]

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EMAAR MGF LAND LTD.
NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

9. Financial Assets - Investments (Current)

	31 March 2017	31 March 2016	1 April 2015
(a) Investments in equity instruments of other Company at fair value through profit and loss (FVTPL)			
Nil (March 31, 2016 - Nil, April 1, 2015 - 2.40 million) Equity shares of Rs. 10.00 each fully paid up in Edelweiss Investment Advisors Limited	-		24.00
	-		24.00
(b) Investments in mutual fund at fair value through profit and loss (quoted)			
1.35 million (March 31, 2016 - 2.48 million, April 1, 2015 - 2.90 million) units of Rs. 10 each in ICICI high liquidity fund - Growth	184.02	75.12	75.05
Nil (March 31, 2016 - 0.03 million, April 1, 2015 - Nil) units of face value of Rs. 1000.00 each in Birla Sun Life Cash Plus - Growth		54.20	
Nil (March 31, 2016 - 0.01 million, April 1, 2015 - Nil) units of Rs. 1000.00 each in DSP Liquid Fund - Growth	-	16.12	
Nil (March 31, 2016 - 0.03 million, April 1, 2015 - Rs. 0.0032 million) units of Rs. 1000.00 each in Taurus Liquid Fund - Growth	-	59.30	67.01
Nil (March 31, 2016 - Nil, April 1, 2015 - 0.0354 million) units of Rs. 1000.00 each in Tata Mutual Fund - Growth		-	91.42
0.06 million (March 31, 2016 - Rs. 0.03 million, April 1, 2015 - Rs. 0.02 million) units of Rs. 1000.00 each in Sundaram Mutual Fund - Growth	159.10	71.25	49.24
0.07 million (March 31, 2016 - Nil, April 1, 2015 - Nil) units of Rs. 1000.00 each in Pramerica Mutual Fund - Growth	152.85	-	-
0.08 million (March 31, 2016 - Nil, April 1, 2015 - Nil) units of Rs. 1000.00 each in Invesco India Liquid Mutual Fund	159.36	-	-
	655.33	275.99	288.01
	655.33	275.99	312.01
Assets classified as held for distribution (note 49)	(207.19)	-	-
Total	448.14	275.99	312.01
Aggregate book value of quoted investments	448.14	275.99	288.01
Aggregate market value of quoted investments	448.14	275.99	288.01
Aggregate value of unquoted investments	-	-	24.00

10. Financial Assets - Loans, at amortised cost

	31 March 2017	31 March 2016	1 April 2015
Loans and advances to related parties (refer Note 46)			
Unsecured, considered good	11,409.58	5,515.26	8,850.24
Doubtful	2,517.15	2,395.48	2,398.55
	13,926.73	7,910.74	11,248.79
Provision for doubtful advances	(2,517.15)	(2,395.48)	(2,398.55)
	11,409.58	5,515.26	8,850.24
Assets classified as held for distribution (note 49)	(1,518.17)	-	-
Total	9,891.41	5,515.26	8,850.24

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

11 Financial Assets - others, at amortised cost	31 March 2017	31 March 2016	1 April 2015
Security Deposits	27.07	23.49	22.41
Advances recoverable			
Unsecured, considered good	37.80	46.80	55.02
Doubtful	250.00	250.00	250.00
	287.80	296.80	305.02
Less: Provision for doubtful advances	(250.00)	(250.00)	(250.00)
	37.80	46.80	155.02
Unbilled receivables	1,894.10	2,152.46	2,026.19
VAT recoverable from customers*	157.41	17.49	7.51
Compensation recoverable from subsidiaries**	394.05	92.14	461.91
Interest accrued on loans to subsidiaries	25.52	9.61	1.15
Interest accrued on bank deposits	58.01	41.08	87.56
	2,613.95	2,730.64	2,793.81
Assets classified as held for sale (Refer note 16)	4,581.15		
Total	7,195.43	2,730.64	2,793.81

Loans and Receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

* VAT recoverable from customers represents company's contractual rights to recover additional taxes levied by the government which are either secured against the VAT received from customers or the Company intends to recover the same prior to hand over of possession of the property.
** Compensation recoverable from subsidiaries represents amount recoverable from them in consideration of development rights.

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EMAAR MGF LAND LTD. NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

11 Inventories (at lower of cost and net realisable value)

	31 March 2017	31 March 2016	1 April 2015
Projects in progress	[illegible]	[illegible]	[illegible]
[illegible] stock	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Provision for [illegible]	[illegible]		[illegible]
	[illegible]	[illegible]	[illegible]
Assets classified as held for distribution (note [illegible])	[illegible]	-	
Total	[illegible]	48,125.53	40,095.92

Note: The aggregate amount of costs incurred and profits recognised (less recognised losses) to date for project in progress
Cost incurred	[illegible]	[illegible]	[illegible]
Profit	[illegible]	[illegible]	[illegible]

12 Trade receivables (at amortised cost)

	31 March 2017	31 March 2016	1 April 2015
Unsecured, considered good	[illegible]	[illegible]	[illegible]
Doubtful	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Provision for doubtful receivables	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Assets classified as held for distribution (note [illegible])	[illegible]	-	
Total	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

The average credit period on sale of property is [illegible] days from the date of demand [illegible]

Age of receivables	31 March 2017	31 March 2016	1 April 2015
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

14 Cash and Bank Balances

	31 March 2017	31 March 2016	1 April 2015
Cash and cash equivalents			
Balances with banks:			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Cash on hand	[illegible]	[illegible]	[illegible]
Cheques on hand	[illegible]	[illegible]	[illegible]
	[illegible]	184.46	[illegible]
Assets classified as held for distribution (note [illegible])	[illegible]		-
	[illegible]	[illegible]	[illegible]
Other bank balances			
[illegible] bank deposits	[illegible]	[illegible]	[illegible]
Margin Money deposits [illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Assets classified as held for distribution (note [illegible])	[illegible]	-	
	[illegible]	[illegible]	[illegible]
Total	1,112.35	[illegible]	[illegible]

[illegible]

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

Notes
[illegible]

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2017	31 March 2016	1 April 2015
Balances with banks :			
On current accounts	[illegible]	[illegible]	[illegible]
On deposit accounts	[illegible]	1.90	[illegible]
Cash on hand	[illegible]	[illegible]	[illegible]
Cheques on hand	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Bank overdraft (refer note [illegible])	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

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NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

17. Short Term Borrowings, at amortised cost

	31 March 2017	31 March 2016	April 1, 2015
Secured:			
Debentures			
Nil (March 31, 2016: 0.00575 million; April 1, 2015: 0.00575 million) 15.00% (net of total liability, less) Non Convertible Debentures of Rs 432,500 each redeemable at par		2,488.58	2,860.61
Term loans			
From banks	8,772.00	959.70	1,412.56
From Financial Institutions	2,270.65	5,191.00	3,426.40
From non banking financial company	-	54.74	227.26
Bank overdraft	644.58	1,732.51	1,893.50
Cash credit from banks	580.55	1,450.14	1,655.76
Unsecured:			
Liability component of compound financial instrument			
Compulsorily convertible debentures	426.87	593.65	534.04
Term loan from banks	2,790.00	-	
Bank overdraft	149.56	-	-
Working capital demand loan	1,750.00	-	-
Deferred payment liability	3,233.37	3,370.75	3,251.58
	21,619.81	13,891.20	15,128.47
Liabilities associated with the disposal group classified as held for distribution (note 45)	(640.91)	-	-
	20,978.90	13,891.20	15,128.47
The above amount includes			
Secured borrowings	12,265.11	9,926.79	11,209.85
Unsecured borrowings	9,354.70	3,964.41	3,918.62

Compulsory Convertible Debentures
During an earlier year, the Company had issued 2,300 million compulsory convertible debentures at par value of Rs. 1.00 million each. The subscriber of CCD has an option to convert CCD into equity shares @ Rs. 64 each anytime starting from 21 September 2012 till 20 March 2022. The debentures carry a interest of 15% per annum, payable monthly on the last day of the month.

The convertible debenture contain two components: liability and equity elements. The equity element is presented in other equity in the statement of changes in equity. The effective interest rate of the liability element on initial recognition is 14.03%.

Proceeds of issue	2,300.00
Liability component on the date of issue	(651.25)
Equity component	1,648.75
Liability component (included in short term borrowings) as at March 31, 2017	426.87
Interest expense calculated at an effective rate of interest of 14.03%	65.91
Interest paid	65.91
Interest accrued as at March 31, 2017	

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EMAAR MGF LAND LTD.
NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

18. Trade payables

	31 March 2017	31 March 2016	1 April 2015
Trade payables*			
- total outstanding dues of micro and small enterprises	-	-	-
- total outstanding dues other than micro and small enterprises	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Liabilities associated with the disposal group classified as held for distribution (note 46)	[illegible]		-
Total	**2,616.52**	**5,267.83**	**5,911.87**

*includes retention money payable amounting to Rs [illegible] million (31 March 2016: Rs [illegible] million; 1 April 2015: Rs [illegible] million)

Terms and conditions of the above financial liabilities:
1) Trade payables are non-interest bearing and are normally settled on [illegible] days terms.
2) For terms and conditions with related parties, refer note 35.

19. Other financial liabilities

	31 March 2017	31 March 2016	1 April 2015
Current maturities of long term borrowings (refer note 16)	[illegible]	[illegible]	32,153.50
Interest accrued but not due on borrowings	[illegible]	4,204.19	12.70
Interest accrued and due on borrowings	[illegible]	1,390.87	[illegible]
Payable for fixed assets	12.52	[illegible]	[illegible]
Revenue share payable under collaboration agreement	[illegible]	[illegible]	[illegible]
Excess amount received from customers	[illegible]	[illegible]	[illegible]
Interest payable to customers	[illegible]	-	-
Book overdraft	[illegible]	15.47	[illegible]
Security deposits	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
Liabilities associated with the disposal group classified as held for distribution (note 46)	[illegible]	-	-
Total	**32,897.41**	**[illegible]**	**[illegible]**

20. Other current liabilities

	31 March 2017	31 March 2016	1 April 2015
Advance received towards collaboration agreements	[illegible]	[illegible]	[illegible]
Collection in excess of revenue	[illegible]	[illegible]	[illegible]
Unearned revenue	[illegible]	[illegible]	[illegible]
Statutory dues payable	[illegible]	[illegible]	203.58
	[illegible]	[illegible]	[illegible]
Liabilities associated with the disposal group classified as held for distribution (note 46)	[illegible]	-	
Total	**[illegible]**	**[illegible]**	**[illegible]**

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EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

21. Short term provisions

	31 March 2017	31 March 2016	1 April 2015
Provision for employee benefits			
Provision for gratuity (refer note 31)	57.02	52.52	48.13
Provision for compensated absences	82.55	117.83	124.90
Other provisions			
Provision for claims and compensation*	1,841.48	643.08	7.40
Provision for estimated losses on projects in progress **	44.03	36.48	185.59
	2,024.89	849.91	365.12
Liabilities associated with the disposal group classified as held for distribution (note 46)	(12.76)	-	
Total	2,012.13	849.91	365.12

* Provision for claims and compensation	31 March 2017	31 March 2016
Opening balance	643.08	7.40
Add: provision for the year	2,213.22	1,041.39
Paid during the year	(1,014.82)	(405.71)
Closing balance	1,841.48	643.08

Provision for claims and compensation is recognised on the basis of management estimates of expected claims or compensation which the Company is required to pay to the customers against the settlement of disputes.

** Provision for estimated losses on projects in progress	31 March 2017	31 March 2016
Opening balance	36.48	185.59
Additions for the year	7.55	-
Reversed during the year	-	(149.11)
Closing balance	44.03	36.48

Provision for estimated losses in projects in progress is recognised on the basis of management estimates of expected losses to be incurred on some of the projects where the total cost of the project is expected to exceed the total realisation therefrom.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

[illegible] Revenue from operations

	31 March 2017	31 March 2016
Sale of products		
Income from property development	5,51[illegible]	10,152.11
Income from joint development agreement	-	142.53
Income from sale of [illegible]	7.[illegible]	3.95
	5,548.[illegible]	10,301.52
Sale of services		
Income from [illegible]	30.[illegible]	56.25
Other operating revenue		
Interest income on delayed payments from customers	41.[illegible]	67.2[illegible]
Income from forfeiture of customer advances	131.[illegible]	15.23
Income from transfer fee	18.[illegible]	14.42
Income from holding charges	9.[illegible]	1.85
Gain on compulsory acquisition of land (net)	1,517.47	145.11
Gain on exchange of land (net)	1,513.59	-
Income from settlement of collaboration agreement (net)	164.57	
	3,388.0[illegible]	293.1[illegible]
Total	9,066.12	10,583.62

31. Other income

	31 March 2017	31 March 2016
Interest income on:		
Bank deposits	111.77	137.54
Long term investments / loans to subsidiaries	5.01	5.71
Income tax refund	25.06	8.47
Others	6.48	4.51
Other non-operating income		
Net gain arising on financial assets mandatorily measured at fair value through profit or loss*	27.24	32.39
Exchange difference (net)	1.65	
Net gain on sale of property, plant and equipment	2.1[illegible]	1.16
Reversal of provision for estimated losses on projects in progress	-	227.15
Liabilities written back	87.45	10.25
Miscellaneous income	7.13	22.16
Total	295.12	490.24

* This amount represents gain on sale of investments and remeasurement gain on investment in mutual fund which are mandatorily measured at fair value.

34. (Increase)/decrease in inventories

	31 March 2017	31 March 2016
Opening projects in progress	46,120.30	46,157.41
Opening merchandise stock	0.19	0.29
Inventory transferred consequent to compulsory acquisition of land	(11.54)	-
	46,107.07	46,157.86
Less: Closing projects in progress	45,965.74	46,120.30
Less: Closing merchandise stock	0.22	0.19
	141.31	2,006.17

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

25. Employee benefits expense

	31 March 2017	31 March 2016
Salaries, wages and bonus	[illegible]	[illegible]
Contribution to provident fund	[illegible]	[illegible]
Gratuity expenses (refer note 31)	10.20	[illegible]
Compensated absences	[illegible]	[illegible]
Staff welfare expenses	[illegible]	[illegible]
Total	[illegible]	[illegible]

26. Finance costs

	31 March 2017	31 March 2016
Interest on financial liabilities [illegible]	[illegible]	[illegible]
Finance charges under finance lease	[illegible]	[illegible]
Bank charges	[illegible]	25.24
Total	6,459.21	[illegible]

Note: [illegible]

27. Depreciation and amortisation expense

	31 March 2017	31 March 2016
Depreciation of property, plant and equipment (refer note 4)	[illegible]	[illegible]
Amortisation of intangible assets (refer note 5)	[illegible]	[illegible]
Less: related to [illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

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EMAAR MGF LAND LTD. NEW DELHI *

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

28. Other expenses

	31 March 2017	31 March 2016
Claim and compensation	2,213.22	1,645.35
Provision for bad and doubtful advances (net)	528.27	287.91
Legal and professional charges	317.51	260.25
Government dues and fees	311.51	33.17
Fair value loss on financial instruments at fair value through profit and loss	-	5.07
Security and maintenance expenses	193.52	209.91
Selling commission (other than to sole selling agents)	117.93	161.70
Architect and technical fees	104.90	38.55
Provision for estimated losses on projects in progress	94.92	-
Rent	91.97	102.97
Rates and taxes	77.69	55.01
Electricity and water expenses	55.16	79.20
Exchange differences (net)	-	8.14
Insurance expenses	31.72	43.16
Payment to auditors	27.19	18.24
Advertising and sales promotion	26.82	28.91
Repairs and maintenance		
Plant and machinery	8.58	9.04
Buildings	3.39	1.59
Others	3.61	3.82
Charity and donation-other than political party	1.59	2.15
Loss on Sale of investment in subsidiary companies	-	0.30
Advances and bad debts written off	-	4.13
Provision for diminution in the value of long term investment		12.91
Miscellaneous expenses	193.11	169.74
	4,411.21	3,567.80

Payment to Auditors

As Auditor

	31 March 2017	31 March 2016
Audit fee	13.50	12.00
Limited review	2.50	-
Audit fees for interim condensed financial statements	-	5.50
Reporting for promoter company consolidation	8.50	0.50
Certification work	0.94	
Reimbursement of expenses	0.65	0.24
	27.19	18.24

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EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

29. Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.
Diluted EPS is calculated by dividing the profit for the year attributable to the equity holders of the parent after considering the effect of dilution by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 March 2017	31 March 2016
Profit / (loss) for the year as per statement of profit and loss	(3,543.61)	(6,436.49)
Effect of dilution:		
Add: Debenture interest on Compulsory convertible debentures	61.26	90.81
Profit / (loss) attributable to equity holders for basic earnings	(3,482.35)	(6,345.68)
	No. million	No. million
Weighted average numbers of equity shares in calculating basic EPS	912.62	912.62
Effect of dilution:		
Add: Weighted numbers of potential equity shares outstanding during the year	39.06	39.06
Weighted average number of equity shares in calculating diluted EPS	951.68	951.68
Earnings per equity share		
Basic (Rs.)	(3.77)	(7.02)
Diluted* (Rs.)	(4.27)	(7.02)
Face Value of shares (Rs.)	10	10

* Potential equity shares are anti-dilutive as their conversion to equity shares would decrease loss per equity share from ordinary business activities. Therefore the effect of anti dilutive potential equity has been ignored in computing dilutive earning per share.

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EMAAR MGF LAND LTD
NEW DELHI

(Amount in Rupees million, unless otherwise stated)

30. Commitments and contingencies

a) Leases

Operating lease commitments - Company as lessee

The Company has obtained office premises on operating leases. Few of the leases for office premises were non- cancellable.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
Not later than one year	-	4.55	2.62
Later than one year but not later than five year	-	4.41	4.84
Later than five years	-	-	-

Lease payments of Rs. 91.97 million (31 March 2016 – Rs. 102.97 million) have been recognized as an expense in the statement of profit and loss during the year.

For other cancellable leases, there is no contingent rent in the lease agreements. The lease term is for 1-30 years and is renewable at mutual agreement of both the parties. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease arrangements. There are no subleases.

Finance lease commitments

In 2007- 2008, the Company had entered into perpetual lease with President of India for grant of leasehold rights of certain hotel plots in Delhi. The Company had paid Rs. 4,159.51 million (March 31, 2016 Rs. 4,159.51 million) on account of initial lease premium which has been classified as Land (on lease) under Property, plant and equipment in the financial statements. As per the agreement, the Company had to pay to Delhi Development Authority an annual lease rental of 2.5% of the initial lease premium payable half yearly with effect from March 27, 2011. Till March 31, 2017, the Company has accrued finance lease amounting to Rs. 487.52 million (31 March 2016 – Rs. 390.34 million, 1 April 2015 – Rs. 292.88 million) excluding interest in the financial statements. Besides there are other capital advances of Rs. Nil (31 March 2016 – Nil, 1 April 2015 – Rs. 0.11 million) and capital work in progress of Rs. 976.60 million (31 March 2016 – Rs. 976.60 million, 1 April 2015 – Rs. 976.60 million) which are being carried in these financial statements in connection with the said project. Though the project is temporarily suspended, the management is confident of recovering the full value of the assets being carried in the financial statements. The details of future lease payments are as below:

Particulars	31 March 2017		31 March 2016		1 April 2015	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Not later than one year	97.19	97.19	97.19	97.19	97.19	97.19
Later than one year but not later than five year	388.74	388.74	388.74	388.74	388.74	388.74
Later than five years	97.19 per year	97.19 per year	97.19 per year	97.19 per year	97.19 per year	97.19 per year

EMAAR MGF LAND LTD. NEW DELHI

b) Commitments

S.R. BATLIBOI & CO. GURGAON

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) are Rs. 159.68 million (March 31, 2016 - Rs. 177.75 million, April 1, 2015 - Rs. 179.89 million).

The Company has entered into certain agreements with possessors / lessees of land to develop properties on such land and operate such properties. In lieu of the same, the Company has agreed to share certain percentage of future revenues arising from the operations of the same, as assignment cost to these parties. Since the estimated future revenues and consequential assignment cost cannot be ascertained as on date, the amount payable in exchange of getting such development and operating rights is not being separately disclosed in the financial statements.

c) **Contingent Liabilities**

Claim against the Company not acknowledged as debts

(i.) Corporate guarantees given by the Company to banks for facilities availed by Subsidiary company outstanding as at Rs. 16.15 million (March 31, 2016, Rs. 97.12 million and April 1, 2015 - Rs. 139.86 million).

(ii.) Claims received from vendors / contractors, not accepted by the Company Rs. 69.62 million (March 31, 2016 - Rs. 75.73 million and April 1, 2015 Rs. - 70.46 million). The Company has been advised that these claims are not tenable.

(iii.) Claim for expenses by a promoter Company, not accepted by the Company Rs. Nil (March 31, 2016 - Rs. 25.38 million and April 01, 2015 - Rs. 23.96 million).

(iv.) Claims sought by customers, not accepted by the Company are Rs. 117.79 million (March 31, 2016 - Rs.112.42 million and April 1, 2015– Rs. 41.67 million).

(v.) There are various claims against the Company, by vendors/sellers aggregating to Rs. 281.21 million (March 31, 2016 - Rs. 185.06 million April 1, 2015 – Rs. 60.80 million), against which the Company is in litigation, against which no material liability is expected.

(vi.) The Company had received a demand order u/s 34 and u/s 16 of HVAT Act 2003 for levy of works contracts tax in earlier years which is settled by opting for the Haryana Alternative Tax Compliance Scheme for Contractors, 2016 (hereinafter referred to as "Amnesty Scheme"), for the financial years 2007-08 to 2013-14. The Amnesty Scheme has given an option to the developer to pay VAT liability @ 1.05% on the entire amount received / receivable from the customers, without any interest and penalty and resultantly, all pending assessments / revisions / litigations before any forum / court for the period up to financial year 2013-14, will come to an end. The Company has opted for the said scheme and ascertained a total liability of Rs.745.69 million for all periods up to financial year 2013-14. The Company had already deposited a sum of Rs. 241.75 million under protest in earlier years, which has been adjusted with total liability under Amnesty Scheme. The balance liability of Rs. 503.93 million is to be deposited in four equal quarterly installments. Out of balance liability, the Company has deposited Rs. 251.96 million till April 15, 2017 in two installments and balance 50% amounting to Rs. 251.97 million is to be deposited into two equal quarterly installments which are due on July 15, 2017 and October 15, 2017. Wherever, the Company had handed over the possession to the customers and does not have any security from the customers the same has been provided for in the financial statements and for all the other cases the same is treated as recoverable from its customers and the process of recovery has been initiated.

For all periods starting April 01, 2014 the Company is depositing VAT amount based on purchase method and based on contractual terms with customers the same has been treated as recoverable in these financial statements

(vii.) The Company has received a demand notice of Rs.7.15 million including interest (March 31, 2016 - Rs. 7.15 million) on account of various additions to the income tax return filed for the Assessment Year 2006-07 and penalty of Rs. 26.80 million (March 31, 2016 - Rs. 26.80 million), which has been adjusted against subsequent tax refunds. The said demand of Rs. 7.15 million was reduced to Rs. 0.75 million including interest by CIT (Appeals). Both the tax department and the Company have filed an appeal with the Income Tax Appellate Tribunal (ITAT) against the order of CIT (Appeals). During the year, ITAT had set aside all above matters and has referred back the same to Assessing Officer for fresh assessment.

EMAAR MGF LAND LTD NEW DELHI

S.R. BATLIBOI & CO. LLP GURGAON

Further the Company's appeal against the penalty demand of Rs. 26.80 million is pending with CIT (Appeals)

(viii) The Company has received an order dated March 31, 2017 on May 17, 2017 confirming the validity of show cause notice ('SCN') issued on account of alleged improper utilization of cenvat credit of Rs. 24.45 million (excluding interest and penalty) for the period 2007-08 to 2009-10. As per the said order, the Company's business activity falls under 'Construction of Complex' service category which was not taxable before July 1, 2010, but the Company had collected service tax from its customers and availed /utilized cenvat credit for paying the service tax so collected. The department's contention is that as the service tax has been collected under a non-taxable service category, it ought to be paid in cash and should not be adjusted with the cenvat credit. The Company's contention is that the Company is under 'Works Contract' service category and not under 'Construction of Complex' service category for these projects and hence is eligible for cenvat credit. Further, the Company is in process of filing an appeal against the order before CESTAT.

(ix.) On September 12, 2007, the Company was subjected to search and seizure operations under Section 132 and surveys under Section 133A of the Income Tax Act, 1961 (the "Act"). The 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 the Promoter Company, and relatives of the Promoters and employees of the Promoter companies. During the course of the search and seizure operations, the Income Tax authorities have taken custody of certain materials such as documents, records, computer files and hardware, and recorded statements of certain officials of these entities. Subsequently, the income tax authorities had sought further information/documents and explanations from time to time. In connection with the search and seizure operations, the Company received a notice dated October 8, 2008 under Section 153A of the Act, from the Assistant Commissioner of Income Tax, Central Circle - 7, New Delhi (the "Assistant Commissioner") requiring it to furnish returns of income for the assessment years 2002-03 to 2007-08, which the Company complied with. Further, pursuant to the search conducted by Enforcement Directorate under Section 37 of the Foreign Exchange Management Act, 1999 on December 12, 2009, consequential proceedings u/s 132 A of the Income Tax Act, 1961 were initiated by the Income Tax department, resulting into abatement of pending proceedings to be reinitiated u/s 153 A / 153 C of the Income Tax Act, 1961. Pending completion of above referred proceedings, the tax liability, if any, that may ultimately arise on this account cannot presently be ascertained.

On June 19, 2014, the Company was subjected to search and seizure operation u/s 132 of the Income Tax Act, 1961. The Company also received the notice u/s153A/143(3) of the Income Tax Act, 1961 for Assessment Year 2009-10 to Assessment Year 2015-16 on February 3, 2015 to file the Income Tax Return (ITR) within 30 days of receipt of notice. The Company duly filed the ITR u/s 153A for the Assessment Year 2009-10 to Assessment Year 2014-15 within stipulated time mentioned in the notice.

On December 28, 2016, the Company has received assessment orders u/s 153A/143(3) for Assessment Year 2009-10 to Assessment Year 2015-16, whereby the Assessing Officer has made disallowances on certain matters amounting to Rs 4,506.58 million. The said disallowances resulted in reducing the brought forward business losses and capital losses of the Company, however did not have any impact on the normal tax liability of the Company. Further, due to the aforesaid assessments, the Assessing Officer has computed additional MAT liability of Rs. 63.64 million (including interest of Rs 28.48 million) for Assessment year 2010-11. The Company based on its assessment is of the view that the said demand would not sustain and no additional liability would devolve on the Company.

Accordingly, the Company has filed an appeal before CIT (Appeals) for the Assessment Years 2009-10 to 2015-16 w.r.t. the above mentioned disallowances.

(x.) In December 2009, the Company and certain of its directors, employees, an independent real estate broker of the Company and other persons were subjected to search and seizure operations conducted by the Enforcement Directorate under Section 37 of the Foreign Exchange Management Act, 1999, as amended ("FEMA"), read with Section 132 of the Income Tax Act, 1961, as amended. During the search at the Company's offices, the Enforcement Directorate took custody of certain documents and recorded the statements of certain directors/officers of the Company. Subsequently, the Enforcement Directorate had also sought further information/documents and explanations from time to time, which were duly furnished by the Company.

Pursuant to the aforementioned search and seizure operations, a complaint was filed by the Assistant Director, Enforcement Directorate under Section 16(3) of FEMA on May 17, 2013, and subsequently the Enforcement Directorate, on June 4, 2013, issued Show Cause Notices ("SCN") under FEMA to the Company, some its directors and its four subsidiaries namely Accession Buildwell Pvt. Ltd., Emaar MGF Construction Pvt. Ltd., Shrestha Conbuild Pvt. Ltd. and Smridhi Technobuild Pvt. Ltd. The SCN alleges contravention of the provisions of Section 6(3) (b) of FEMA read with provisions relating to receipt of Foreign Direct Investment ("FDI") in Construction Development Projects and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, by the Company and the said subsidiaries, by utilizing the FDI aggregating to approximately Rs. 86,000.00 million (including Rs. 75,645.80 million in respect of the Company) in purchase of land, including agricultural land. The Enforcement Directorate has also initiated Adjudication Proceedings in the said matter.

On January 8, 2014, the Company and its subsidiaries have filed its replies to the SCN with the Enforcement Directorate and have also challenged initiation of Adjudication Proceedings against the Company and its subsidiaries. The Company, basis available legal opinions and clarifications obtained from the Reserve Bank of India and Department of Industrial Policy & Promotion (Government of India), believes that the purchase of land, including agricultural land, for the conduct of its business of construction & development is in compliance of applicable provisions of law, including the FEMA and FDI.

Further, on April 8 2014, the Adjudicating Authority directed the Enforcement Directorate to provide certain documents to the Company. The Enforcement Directorate vide its letter dated July 22, 2015 had asked the Company to take the documents from the office of the relevant Enforcement Directorate department and the Company had vide its letter dated August 6, 2015 requested the relevant department to provide the requisite documents, which the Company is yet to receive. However, no formal demand has been received by the Company till date.

(xi) Loans and advances includes amounts paid to certain parties directly or through the subsidiaries of the Company, for acquiring land/ land development rights for development of real estate projects, either on collaboration basis or self – development basis. Of these, with respect to advances of Rs. 2,594.62 million (March 31, 2016 - Rs. 689.83 million and April 1, 2015 - Rs. 590.09 million) for land or development rights associated with the land, the matters are currently under litigation for which necessary legal proceedings are on.

(xii) The Company, vide a Development Agreement dated November 3, 2006 (subsequently amended by the agreement dated July 25, 2007) entered into with Emaar Hills Township Private Limited (hereinafter referred to as 'EHTPL'), had undertaken the development of land in Hyderabad, sold to EHTPL by Andhra Pradesh Industrial Infrastructure Corporation (APIIC) based on various Government Orders and through a duly registered Conveyance Deed dated December 28, 2005. EHTPL being the absolute owner of the said land, had appointed the Company as the project developer via Development Agreement cum General Power of Attorney (GPA) dated July 25, 2007 and an Addendum to Development Agreement cum GPA dated July 23, 2008 whereby and in consideration thereof, the Company had to share 25% of the Gross Revenue derived through sale and/or lease proceeds from building and structures proposed to be constructed thereon with EHTPL.

The Company also, vide an Assignment Deed dated November 3, 2006 entered into with Boulder Hills Leisure Private Limited (hereinafter referred to as 'BHLPL'), had undertaken the development and operation of a 'Golf Course' in Hyderabad for a lease period of 66 years and in consideration thereof, agreed to share 5% of gross annual revenue during the first 33 years and 6% of gross annual revenue for remaining 33 years of the lease term with BHLPL

EMAAR MGF LAND LTD. NEW DELHI

During the earlier years, in a dispute between the APIIC and Emaar Properties PJSC (shareholders of EHTPL and BHLPL), APIIC had issued a legal notice to the other shareholder Emaar Properties PJSC (Emaar) for termination of the collaboration agreement (entered between APIIC and Emaar), which has been stayed by Hon'ble A.P. High Court. APIIC also issued legal notice to the BHLPL, inter-alia alleging that the Assignment Deed and other contracts signed by BHLPL with the Company have been entered into without obtaining permission from APIIC and had requested BHLPL to terminate the said Assignment Deed.

Further, APIIC had issued letters to the Joint Sub Registrar to stop the registrations of plots, villas and apartments in the project being developed under the aforesaid Development Agreement, which had been contested by EHTPL vide a Writ Petition in the Hon'ble A.P. High Court. Subsequently, a Government Order was issued banning registrations of properties owned by the Company, which was suspended by a Single Judge bench of the Hon'ble A.P. High Court on an application filed by the flat owners welfare association. However, upon an application made by APIIC, division bench of Hon'ble A.P. High Court suspended the aforesaid judgment.

APIIC had filed another suit against the Company before City Civil Court for rendition of accounts, permanent injunction against the Company to restrain any transfer of properties to third parties and carrying out any work or activity on the project. However, as there was no privity of contract between APIIC and the Company, the said proceedings have been stayed by the Hon'ble A.P. High Court. The matter is now listed on July 11, 2017.

The Company, based on legal advice, is of the opinion that all the aforesaid disputes shall be settled amicably by the parties under the Arbitration and Conciliation Act, 1996 or as per the Dispute Redressal Mechanism provided under AP Infrastructure Development Enabling Act, 2001.

Further, there have been certain legal proceedings initiated against the Company, EHTPL & Emaar, as detailed hereunder-

i. A Public Interest Litigation (PIL) was filed by an individual with the Hon'ble A. P. High Court making allegations, inter alia, of irregularities in the Development Agreement cum General Power of Attorney entered into by the Company with EHTPL. Subsequently, the Hon'ble A.P. High Court had ordered Central Bureau of Investigation (CBI) to conduct an inquiry into the allegations. CBI had filed charge sheets against various persons including the Company, former Managing Director and few officers of the Company. Among other things CBI has alleged that development agreement cum GPA and addendum thereto and agency agreement was executed in violation of collaboration agreement and without following proper procedures. CBI has also alleged that certain plots sold were not accurately reflected in the books of the Company and has alleged irregularities in allotment of project land. CBI has also alleged that APIIC has incurred loss to the tune of Rs. 435.00 million on the deal. As on date, CBI has now filed a fresh charge sheet dated October 25, 2012 and trial is proceeding in its due course. During the investigation by CBI in respect of the Project in Hyderabad, CBI had also referred the matter to the Enforcement Directorate (ED). The Company received a provisional attachment order from the ED on approx. 4.8 acres of land in Delhi, owned by one of the subsidiaries of the Company costing Rs. 88.60 million and a complaint before the Adjudicating Authority (PMLA) was also filed by ED. The Adjudicating Authority confirmed the attachment order of ED. The Company has now filed an appeal before the Appellate Tribunal against the said order.

ii. A criminal complaint was filed by another individual before Special Judge, Anti-Corruption Bureau (ACB) Cases, Hyderabad, in which, various companies having operations in Hi-Tech City of Hyderabad during various periods were made accused parties including Emaar, EHTPL and the Company, alleging irregularities in allocation of land to these parties. The said Court passed order directing DG, ACB to conduct investigation into the allegations of the complaint. The said order has however been stayed by the Hon'ble A. P. High Court on filing Criminal Revision Cases by the Company and Emaar. Subsequently Hon'ble A.P. High Court disposed off all these criminal proceedings with directions that all the complaints filed by the said individual will be forwarded to CBI as additional material for their consideration.

EMAAR MGF LAND LTD. NEW DELHI

S.R. BATLIBOI & CO. LLP GURGAON

In an another litigation, the ownership of project land under EHTPL and BHLPL along with other Land Parcels are being disputed by various parties stating that the land belongs to Dargah and consequently should be administered by the Wakf Board. The Hon'ble A.P. High Court in its ruling has passed an order in favour of the petitioners. However, subsequently on an appeal made by one of the aggrieved parties, who was also a respondent to the aforesaid suits, Hon'ble Supreme Court has stayed the order on assurance given by the State that it will compensate plaintiff in the suit by money or by providing alternative land.

Until March 31, 2017, with respect to the development agreement with EHTPL the Company has collected Rs. 3,423.21 million (March 31, 2016 - Rs. 3,423.21 million) from customers on account of various real estate projects launched and has spent Rs. 3,852.80 million (March 31, 2016 - Rs. 3,852.80 million) on development of various projects being undertaken. Out of the said amounts, cumulative revenue of Rs. 1,447.86 million (March 31, 2016 - Rs. 1,447.86 million) [excluding EHTPL's share of Rs. 482.62 million (March 31, 2016 - Rs. 482.62 million)] and cumulative costs of Rs. 980.46 million (March 31, 2016 - Rs. 980.46 million) have been recognised in the statement of profit and loss until the Balance Sheet date. Outstanding balances as at year end includes trade receivables of Rs. 67.30 million (March 31, 2016 - Rs. 67.30 million), recoverable of Rs. 53.25 million (March 31, 2016 - Rs. 27.97 million), accrued revenue of Rs. 26.96 million (March 31, 2016 - Rs. 26.96 million), trade payables of Rs. 220.40 million (March 31, 2016 - Rs. 234.75 million), outstanding revenue share payable to EHTPL of Rs. 294.81 million (March 31, 2016 – Rs. 294.81 million), other liabilities of Rs. 1,586.99 million (March 31, 2016 - Rs. 1,586.99 million), inventories of Rs. 2,872.34 million (March 31, 2016- Rs.2,872.28 million) and capital work in progress of Rs. 18.97 million (March 31, 2016 - Rs. 18.97 million). In view of the aforesaid litigations, the management believes that the amounts payable to EHTPL under the Development Agreement is disputed and is neither due nor payable until the disposal of the said litigations.

Further, with respect to the assignment deed with BHLPL, the Company has collected Rs. 401.02 million (March 31, 2016 – Rs. 361.99 million) from customers of which Rs. 338.76 million (March 31, 2016 -Rs. 308.13 million) [excluding BHLPL's share of Rs. 14.76 million (March 31, 2016 – Rs. 13.64 million)] has been recognized as revenue upto the balance sheet date.

Pending completion of above referred proceedings and based on the legal advices received, management of the Company believes that the allegations/matters raised are contrary to the factual position and hence not tenable.

(xiii.) As at March 31, 2017, the Company has investments of Rs. 603.53 million (March 31, 2016 - Rs. 603.53 million) in the form of equity share capital in one of its subsidiary companies, Emaar MGF Construction Private Limited ("EMCPL") and a recoverable of Rs. 2,266.22 million (March 31, 2016 - Rs. 2,098.40). During the current year, EMCPL has made a loss of Rs. 3.56 million (March 31, 2016 - Rs. 48.22 million) and has accumulated losses of Rs. 575.76 million (March 31, 2016 - Rs. 572.20 million) as at the year end.

EMCPL is under various litigations with respect to the Commonwealth Games (CWG) Village project undertaken by it, including with –

• Delhi Development Authority (DDA) under Project Development Agreement for the development and construction of the project, whereby EMCPL has raised claims over DDA aggregating to Rs. 14,182.38 million (March 31, 2016 - Rs. 14,182.38 million), against which DDA has raised counter claims aggregating to Rs. 14,460.44 million (March 31, 2016 - Rs. 14,460.44 million) on EMCPL. DDA is also alleging extra usage of Floor Area Ratio (FAR) by EMCPL; and

• M/s Ahluwalia Contracts (India) Limited, contractor appointed for the construction of the project, wherein claims by the contractor and counter claims by EMCPL aggregating to Rs. 4,200.19 million (excluding interest) (March 31, 2016 - Rs. 4,200.19 million) and Rs. 11,702.55 million (March 31, 2016 Rs. 11,702.55 million) respectively are pending for decision with the arbitration tribunal.

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EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

Unfavourable outcome of the outstanding litigations may result in the said subsidiary not being able to meet its obligations fully and may lead to a diminution, other than temporary, in the value of the investment that the Company holds in EMCPL besides non recovery of the aforesaid advance. Further, the Company has undertaken to provide continued financial support to EMCPL as part of its business strategy for meeting its operating and capital funding requirements for the next financial year and in the near future

(xiv.) Balance with statutory authorities includes Rs. Nil (March 31, 2016 - 20.27 million) paid under protest towards service tax on transfer on joint development rights.

Regarding the liabilities stared above from (i) to (xiv), the Company believes that the matters are possible but not probable, that outflow of economic resources are required, and hence no provisions has been made in these financial statements

31. Employee benefit plan

Defined contribution plan

The Company contributed a total of Rs. 34.22 million for the year ended March 31, 2017 and Rs. 37.27 million for the year ended March 31, 2016 to the defined contribution plan described below.

Central provident fund

In accordance with The Employees Provident Funds Act, 1952 employees are entitled to receive benefits under the provident fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for fiscal year 2017 and 2016) of an employee's basic salary. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI). The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

Defined benefit plan

Gratuity:

The Company has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance Company in the form of qualifying insurance policy.

The Company is maintaining a fund with the Life Insurance Corporation of India (LIC) to meet its gratuity liability. The present value of the plan assets represents the balance available with the LIC as at the end of the year. The total value of plan assets is as certified by the LIC

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are, as follows:

Particulars	31 March 2017	31 March 2016
Defined benefit obligation at the beginning of the year	76.80	80.82
Current service cost	12.05	12.38
Interest cost	6.04	6.30
Benefits paid	(18.08)	(12.75)
Actuarial (gain) / loss on obligations	1.51	(9.95)
Defined benefit obligation at the end of the year	**78.32**	**76.80**

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Changes in the fair value of plan assets are, as follows:

Particulars	31 March 2017	31 March 2016
Fair value of plan assets at the beginning of the year	24.28	32.69
Contribution by employer	14.82	1.75
Fund management charges (FMC)	(0.03)	-
Benefits paid	(18.08)	(12.75)
Return on plan assets	1.92	2.55
Actuarial gain / (loss) on plan asset	(1.61)	0.04
Fair value of plan assets at the end of the year	**21.30**	**24.28**

Percentage allocation of plan assets	LIC	
Assets by category	**As at 31 March 2017**	**As at 31 March 2016**
Government Securities	64.78%	64.70%
Debentures / bonds	25.72%	25.62%
Equity instruments	6.28%	6.52%
Fixed deposits	2.55%	2.49%
Money market instruments	0.67%	0.67%

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	31 March 2017	31 March 2016	1 April 2015
Fair value of plan assets	21.30	24.28	32.69
Defined benefit obligation	78.32	76.80	80.82
Amount recognised in the Balance Sheet	**57.02**	**52.52**	**48.13**

Amount recognised in Statement of Profit and Loss:

Particulars	31 March 2017	31 March 2016
Current service cost	12.05	12.38
Net interest expense	4.15	3.75
Amount recognised in statement of Profit and Loss	**16.20**	**16.13**

Amount recognised in Other Comprehensive Income:

Particulars	31 March 2017	31 March 2016
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	(1.51)	9.95
Return on plan assets (excluding amounts included in net interest expense)	(1.61)	0.04
Experience adjustments	-	-
Amount recognised in Other Comprehensive Income	**(3.12)**	**9.99**

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(Amount in Rupees million, unless otherwise stated)

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
Gratuity			
Investment details	Funded	Funded	Funded
Investment with Insurer (LIC)	100%	100%	100%

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	31 March 2017	31 March 2016	1 April 2015
Discount rate	7.50%	7.90%	7.80%
Future salary increases	8.00%	8.00%	8.00%
Withdrawal rate			
Up to 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
Mortality rate	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

A quantitative sensitivity analysis for significant assumption shown above as at 31 March is as shown below:

Gratuity Plan	Impact on DBO	
	31 March 2017	31 March 2016
Assumptions		
Discount rate		
Increase by 0.50%	(5.21)	(5.09)
Decrease by 0.50%	5.72	5.59
Future salary increases		
Increase by 0.50%	5.66	5.56
Decrease by 0.50%	(5.21)	(5.11)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions shown above occurring at the end of the reporting period.
Sensitivities due to mortality and withdrawals are insignificant and hence ignored.
Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The expected contribution to the defined benefit plan during the next financial year is Rs. 19.66 million

Maturity Profile of Defined Benefit Obligation

Particulars	31 March 2017	31 March 2016
Within the next 12 months (next annual reporting period)	1.44	5.01
Between 2 and 5 years	10.67	4.93
Between 5 and 10 years	66.24	66.86
Total expected payments	78.35	76.80

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The average duration of the defined benefit plan obligation at the end of the reporting period is 23.44 years (31 March 2016: 23.10 years).

Risk analysis

Company is exposed to a number of risks in the defined benefit plan. Most significant risks pertaining to defined benefits plan, and management's estimation of the impact of these risks are as follows:

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India (LIC). Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

32. As at March 31, 2017, 145.41 acres (March 31, 2016 - 166.77 acres April 1, 2015 - 170.69 acres) of land parcels held by the various subsidiaries of the Company have been notified by the various State Governments to be acquired by the development authority under compulsory acquisition. In some cases, the subsidiaries have filed applications with the relevant authorities against such acquisition notifications of the Government while in some other cases the award is not yet received. Pending final order/settlement or announcement of such award, no accounting there against has been considered in these financial statements. Management believes that the expected award value would be greater than the book value of such land parcels.

33. The Company has not made any provision as at March 31, 2017, for Minimum Guaranteed / Enhanced Minimum Guaranteed / Fixed / Enhanced Fixed Return as per the terms of its agreement dated July 9, 2008 entered with Emaar Properties PJSC, Dubai ("EPJSC"), pursuant to which EPJSC has invested Rs 4,253.55 million (March 31, 2016 - Rs. 4,253.55 million and April 01, 2015 - Rs. 4,253.55 million) in certain subsidiary companies, since, as per a legal opinion obtained by the Company during an earlier year, it is not liable to pay such returns in terms of the provisions of the applicable laws in India.

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34. Income Tax

The major components of income tax expense for the year ended March 31 2017 are indicated below:

a) **Statement of profit or loss for the year ended**

	March 31, 2017	March 31, 2016
Current tax:		
Current tax on profit for the year	-	-
Total current tax	-	-
Deferred tax:		
Origination and reversal of temporary differences	-	-
Total deferred tax	-	-
Tax expense / (credit) for the year	-	-
Effective income tax rate (%)	-	-

b) **Statement of other comprehensive income for the year ended**

	March 31, 2017	March 31, 2016
Deferred tax (credit) / charge on:		
Re-measurement of defined benefit obligations	-	-
Total	-	-

A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	**March 31, 2017**	**March 31, 2016**
Accounting profit / (loss) before tax for the year ended	(7,543.61)	(6,406.49)
Statutory income tax rate (%)	34.61%	34.61%
Tax at Indian statutory income tax rate	**(2,610.69)**	**(2,217.16)**
Disallowable expenses	15.31	11.12
Loss in respect of which deferred tax assets not recognized for the year*	2,595.38	2,206.04
Tax charge for the year	-	-

*Deferred tax assets on unabsorbed depreciation/business loss have been recognised only to the extent of deferred tax liabilities on taxable temporary differences available.

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters.

Deferred tax assets / (liabilities):

The Company has not recognised net deferred tax assets on deductible temporary differences as at March 31, 2017, March 31, 2016 and April 1, 2015 as there is no probability that taxable profit will be available against which the deductible temporary differences can be utilised. The tax effect of temporary differences, unused tax credits/unused tax losses are as under:

Significant components of Deferred tax assets/(liabilities)	**March 31, 2017**	**March 31, 2016**	**April 01, 2015**
Property, Plant and Equipment	(78.63)	14.45	21.18
Employee benefits	80.48	58.95	59.57

EMAAR MGF LAND NEW DELHI

S.R. BATLIBOI & CO. GURGAON

(Amount in Rupees million, unless otherwise stated)

Provision for diminution in the value of asset	2,856.30	2,628.27	2,578.58
Provision for claim & Compensation	765.95	-	-
Business losses	7,831.28	6,182.00	3,869.98
Unabsorbed depreciation	257.30	234.44	210.47
Capital losses	384.34	384.34	384.14
Premium on redemption of debentures yet to be allowed for tax purposes	521.10	521.10	572.00
Fair value accounting of compound financial instruments	147.73	167.49	184.82
Fair value accounting of barter transactions	(773.40)	(773.40)	(654.16)
Total	**11,992.45**	**9,417.64**	**7,226.38**

The Unused tax losses as at March 31, 2017 expire, if unutilize, based on the year of origination as follows:

Particulars	**Within one year**	**Greater the one year, less than five years**	**Greater than five Years**	**No expiry date**	**Total**
Unutilize business losses	-	7,614.40	15,014.14	-	22,628.54
Unabsorbed depreciation	-	-	-	743.47	743.47
Unutilize capital losses	1,109.97	-	0.59		1,110.56
Total	1,109.97	**7,614.40**	15,014.73	**743.47**	**24,482.57**

The Company has unused MAT credit amounting to Rs. 199.71 million as at March 31, 2017. Such tax credits have not been recognised on the basis that recovery is not probable in the foreseeable future. Unrecognised MAT credit, if unutilized, will expire after March 31, 2025

35. Expenditure on Corporate Social Responsibility (CSR) activity

As per requirement of sub section 5 of section 135 of the Companies Act 2013, the Company was required to spend at least two percent of its average net profit for the three immediately preceding financial years. Since, the Company has been incurring losses in immediately three preceding financial years, therefore the Company is not required to spend any amount during the current financial year towards CSR activities.

36. Related Party Disclosures

A. List of related parties:-

I	**Ultimate holding / Holding company:-**
1.	Emaar Properties, PJSC, Dubai*
2.	Emaar Holding II*
II	**Entities substantially owned directly or indirectly by the Company, irrespective of whether transactions have occurred or not:-**
1.	Aashirwad Conbuild Private Limited
2.	Abbey Properties Private Limited
3.	Abbot Builders Private Limited
4.	Abhinav Projects Private Limited
5.	Abyss Properties Private Limited
6.	Accession Buildwell Private Limited

(Amount in Rupees million, unless otherwise stated)

7.	Accendion Buildwell Private Limited
8.	Achates Buildcons Private Limited
9.	Acorn Buildmart Private Limited
10.	Acorn Developers Private Limited
11.	Active Promoters Private Limited
12.	Active Securities Limited
13.	Acutech Estates Private Limited
14.	Adze Properties Private Limited
15.	Allied Realty Private Limited
16.	Alpine Buildcon Private Limited
17.	Amar Gyan Developments Private Limited
18.	Amardeep Buildcon Private Limited
19.	Aparajit Promoters Private Limited
20.	Archit Promoters Private Limited
21.	Ardor Conbuild Private Limited
22.	Arma Buildmore Private Limited
23.	Arman Promoters Private Limited
24.	Armour Properties Private Limited
25.	Auspicious Realtors Private Limited
26.	Authentic Properties Private Limited
27.	Avinashi Buildtech Private Limited
28.	Bailiwick Builders Private Limited
29.	Balalaika Builders Private Limited
30.	Ballad Conbuild Private Limited
31.	Bhavishya Buildcon Private Limited
32.	Bhavya Conbuild Private Limited
33.	Bhumika Promoters Private Limited
34.	Brijbasi Projects Private Limited
35.	Brilliant Build Tech Private Limited
36.	Camaraderie Properties Private Limited
37.	Calypso Properties Private Limited
38.	Camellia Properties Private Limited
39.	Capex Projects Private Limited
40.	Casing Properties Private Limited
41.	Cassock Properties Private Limited
42.	Cats Eye Properties Private Limited
43.	Charbhuja Properties Private Limited
44.	Charismatic Realtors Private Limited
45.	Chhavi Buildtech Private Limited
46.	Chintz Conbuild Private Limited
47.	Chirayu Buildtech Private Limited
48.	Choir Developers Private Limited
49.	Chum Properties Private Limited
50.	Compact Projects Private Limited
51.	Consummate Properties Private Limited
52.	Crock Buildwell Private Limited
53.	Crocus Builders Private Limited
54.	Crony Builders Private Limited
55.	Deep Jyoti Projects Private Limited
56.	Devit Estates Private Limited
57.	Deve Promoters Private Limited
58.	Ducat Builders Private Limited
59.	Dumdum Builders Private Limited

(Amount in Rupees million, unless otherwise stated)

60.	Easel Propbuild Private Limited (Till 23-Mar-2016)
61.	Easter Conbuild Private Limited
62.	Ecliptic Conbuild Private Limited (Till 23-Feb-2016)
63.	Eclogue Conbuild Private Limited
64.	Ecru Builders Private Limited
65.	Ecstasy Conbuild Private Limited (Till 22-Jun-2016)
66.	Eddy Conbuild Private Limited (Till 22-Jun-2016)
67.	Edenic Propbuild Private Limited
68.	Edge Conbuild Private Limited
69.	Edit Estates Private Limited
70.	Educt Propbuild Private Limited
71.	Elan Conbuild Private Limited
72.	Elegant Propbuild Private Limited
73.	Elite Conbuild Private Limited
74.	Elver Conbuild Private Limited (Till 16-Jun-2015)
75.	Emaar MGF Constructions Private Limited
76.	Emaar MGF Hospitality Private Limited (Till 23-Mar-2016)
77.	Emaar MGF Projects Private Limited (Till 23-Mar-2016)
78.	Emaar MGF Services Private Limited
79.	Eminence Conbuild Private Limited
80.	Enamel Propbuild Private Limited
81.	Enigma Properties Private Limited
82.	Epitome Propbuild Private Limited
83.	Estuary Conbuild Private Limited
84.	Eternal Buildtech Private Limited
85.	Ethic Conbuild Private Limited
86.	Ethnic Properties Private Limited
87.	Everwel Estates Private Limited
88.	Extremity Conbuild Private Limited
89.	Fable Conbuild Private Limited
90.	Façade Conbuild Private Limited
91.	Facet Estate Private Limited
92.	Flick Propbuild Private Limited
93.	Fling Propbuild Private Limited
94.	Flip Propbuild Private Limited
95.	Floret Propbuild Private Limited
96.	Flotilla Propbuild Private Limited
97.	Flounce Propbuild Private Limited
98.	Flue Propbuild Private Limited
99.	Fluff Propbuild Private Limited
100.	Fluke Propbuild Private Limited
101.	Foal Propbuild Private Limited
102.	Fondant Propbuild Private Limited
103.	Foray Propbuild Private Limited
104.	Forsythia Propbuild Private Limited
105.	Fount Propbuild Private Limited
106.	Foyer Propbuild Private Limited
107.	Fray Propbuild Private Limited
108.	Frieze Propbuild Private Limited
109.	Frisson Propbuild Private Limited
110.	Frond Propbuild Private Limited
111.	Froth Propbuild Private Limited
112.	Futuristic Buildwell Private Limited

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

113.	Gable Propbuild Private Limited
114.	Gadget Propbuild Private Limited
115.	Gaff Propbuild Private Limited
116.	Gaiety Propbuild Private Limited
117.	Gait Propbuild Private Limited
118.	Galleon Propbuild Private Limited
119.	Gallery Propbuild Private Limited
120.	Gallium Propbuild Private Limited
121.	Gambit Propbuild Private Limited
122.	Gamete Propbuild Private Limited
123.	Gamut Propbuild Private Limited
124	Garland Estate Private Limited
125	Garnet Propbuild Private Limited
126.	Garuda Properties Private Limited
127.	Gateau Propbuild Private Limited
128.	Gaucho Propbuild Private Limited
129.	Gauge Propbuild Private Limited
130.	Gauntlet Propbuild Private Limited
131.	Gavel Properties Private Limited
132.	Gems Buildcon Private Limited
133.	Genre Propbuild Private Limited
134.	Gentian Propbuild Private Limited (Till 21-Dec-2015)
135.	Gentry Propbuild Private Limited
136.	Geodesy Properties Private Limited
137.	Gibbon Propbuild Private Limited
138.	Girder Propbuild Private Limited
139.	Glade Propbuild Private Limited
140.	Glaze Estates Private Limited
141.	Glen Propbuild Private Limited
142.	Glen Propbuild Private Limited (Singapore)
143.	Glimpse Propbuild Private Limited
144.	Glitz Propbuild Private Limited
145.	Globule Propbuild Private Limited
146.	Gloss Propbuild Private Limited
147.	Glove Propbuild Private Limited
148.	Godawari Buildwell Private Limited
149	Godson Propbuild Private Limited
150	Golliwog Propbuild Private Limited
151	Gracious Technobuild Private Limited
152.	Gradient Developers Private Limited
153.	Graft Propbuild Private Limited
154.	Grampus Propbuild Private Limited
155	Gran Propbuild Private Limited
156	Granar Propbuild Private Limited
157.	Grange Propbuild Private Limited
158.	Granule Propbuild Private Limited
159.	Grapeshot Propbuild Private Limited
160.	Grassroot Promoters Private Limited
161.	Gravel Propbuild Private Limited
162.	Grebe Propbuild Private Limited
163.	Griddle Propbuild Private Limited
164.	Grog Propbuild Private Limited
165.	Grove Propbuild Private Limited

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

166.	Grange Propbuild Private Limited
167.	Gulfaw Propbuild Private Limited
168.	Gull Propbuild Private Limited
169.	Guru Rakha Projects Private Limited
170.	Gurkul Promoters Private Limited
171.	GyanJyoti Estates Private Limited
172.	Gyankunj Constructions Private Limited
173.	Gyankunj Estates Private Limited
174.	Haddock Propbuild Private Limited
175.	Haft Propbuild Private Limited
176.	Hake Developers Private Limited
177.	Halibut Developers Private Limited
178.	Hamlet Buildwell Private Limited
179.	Hammock Buildwell Private Limited
180.	Hartej Estates Private Limited
181.	Hope Promoters Private Limited
182.	Immense Realtors Private Limited
183.	Jamb Propbuild Private Limited
184.	Janitor Propbuild Private Limited
185.	Jasper Propbuild Private Limited
186.	Jaunt Propbuild Private Limited
187.	Jay Propbuild Private Limited
188.	Jemmy Propbuild Private Limited
189.	Jerkin Propbuild Private Limited
190.	Jetty Propbuild Private Limited
191.	Jig Propbuild Private Limited
192.	Jive Propbuild Private Limited
193.	Juhi Promoters Private Limited
194.	Kamdhenu Projects Private Limited
195.	Kartikay Buildwell Private Limited
196.	Kayak Propbuild Private Limited
197.	Kedge Propbuild Private Limited
198.	Kestrel Propbuild Private Limited
199.	Kismet Propbuild Private Limited
200.	Knoll Propbuild Private Limited
201.	Kudos Propbuild Private Limited
202.	Ladle Propbuild Private Limited
203.	Lavish Propbuild Private Limited
204.	Legend Buildcon Private Limited
205.	Legend Buildwell Private Limited
206.	Lifeline Build Tech Private Limited
207.	Locus Propbuild Private Limited
208.	Logical Developers Private Limited
209.	Logical Estates Private Limited
210.	Lotus Technobuild Private Limited
211.	Maestro Estates Private Limited
212.	Mahonia Estate Private Limited
213.	Mansarovar Projects Private Limited
214.	Markwel Promoters Private Limited
215.	Mega City Promoters Private Limited
216.	M G Colonizers Private Limited
217.	Milky Way Realtors Private Limited
218.	Modular Estates Private Limited

(Amount in Rupees million, unless otherwise stated)

219.	Monarch Buildcon Private Limited
220.	Monga Properties Private Limited
221.	Multitude Infrastructures Private Limited
222.	Naam Promoters Private Limited
223.	Nandita Promoters Private Limited
224.	Navrattan Buildcon Private Limited
225.	Nayas Projects Private Limited
226.	Neelu Propbuild Private Limited
227.	Newt Propbuild Private Limited
228.	Nipper Propbuild Private Limited
229.	Nishkarsh Estates Private Limited
230.	Notch Propbuild Private Limited
231.	Pansy Buildcons Private Limited
232.	Paving Propbuild Private Limited
233.	Perch Conbuild Private Limited
234.	Perpetual Realtors Private Limited
235.	Pipalashray Estate Private Limited
236.	Potential Propbuild Private Limited (Till 21-Dec-2015)
237.	Pragya Buildcon Private Limited
238.	Pratham Promoters Private Limited
239.	Pratiksha Buildcon Private Limited
240.	Prayas Buildcon Private Limited
241.	Prezzie Buildcon Private Limited
242.	Progeny Buildcon Private Limited
243.	Prosperous Constructions Private Limited
244.	Prosperus Buildcon Private Limited
245.	Pukhraj Realtors Private Limited
246.	Pulse Estates Private Limited
247.	Pushkar Projects Private Limited
248.	Raksha Buildtech Private Limited
249.	Ram Ban Projects Private Limited
250.	Rolex Estates Private Limited
251.	Rose Gate Estates Private Limited
252.	Rudraksha Realtors Private Limited
253.	Sacred Estates Private Limited
254.	Sambhavee Projects Private Limited
255.	Sandesh Buildcon Private Limited
256.	Sankalp Buildtech Private Limited
257.	Sankalp Promoters Private Limited
258.	Sanskar Buildcon Private Limited
259.	Sanskar Buildwell Private Limited
260.	Sanyukta Promoters Private Limited
261.	Sapphire & Sands Private Limited (Singapore)
262.	Sarvodaya Buildcon Private Limited
263.	Sarvpriya Realtors Private Limited
264.	Sezal Build Tech Private Limited
265.	Sewak Developers Private Limited
266.	Sharyans Buildcon Private Limited
267.	Shaurya Propbuild Private Limited
268.	Shirin Buildcon Private Limited
269.	Shrestha Conbuild Private Limited
270.	Shrey Promoters Private Limited
271.	Sidhivinayak Durobuild Private Limited

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

272.	Sidhant Buildcon Private Limited
273.	Sidhivinayak Buildcon Private Limited
274.	Signages Properties Private Limited
275.	Silver Sea Vessel Management Private Limited (Singapore)
276.	Smridhi Technobuild Private Limited
277.	Snow White Buildcon Private Limited
278.	Sonex Projects Private Limited
279.	Sparsh Promoters Private Limited
280.	Spiritual Realtors Private Limited
281.	Sprouting Properties Private Limited
282.	Spurt Projects Private Limited
283.	Sriyam Estates Private Limited
284.	Stash Propbuild Private Limited
285.	Stave Propbuild Private Limited
286.	Stein Propbuild Private Limited
287.	Stent Propbuild Private Limited
288.	Strut Propbuild Private Limited
289.	Sukhda Promoters Private Limited
290.	Sukhjit Projects Private Limited
291.	Sun Buildmart Private Limited
292.	Tacery Builders Private Limited
293.	Tanmay Developers Private Limited
294.	TCI Project Management Private Limited (Till 10-Mar-2016)
295.	Tinnitus Builders Private Limited
296.	Tocsin Builders Private Limited
297.	Toff Builders Private Limited
298.	Tome Builders Private Limited
299.	Tomtom Builders Private Limited
300.	Trattoria Properties Private Limited
301.	Trawler Properties Private Limited
302.	Triad Properties Private Limited
303.	True Value Build-Con Private Limited
304.	Tushar Projects Private Limited
305.	Utkarsh Buildcon Private Limited
306.	Versatile Conbuild Private Limited
307.	Virasat Buildcon Private Limited
308.	Vitality Conbuild Private Limited
309.	VPG Developers Private Limited
310.	Waif Propbuild Private Limited
311.	Wedge Properties Private Limited
312.	Wembley Estates Private Limited
313.	Whelsh Properties Private Limited
314.	Winkle Properties Private Limited
315.	Yeti Properties Private Limited
316.	Yogiraj Promoters Private Limited
317.	Yukti Projects Private Limited
318.	Zing Properties Private Limited
319.	Zither Buildwell Private Limited
320.	Zonex Developers Private Limited
321.	Zonex Estates Private Limited
322.	Zulu Properties Private Limited

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EMAAR MGF LAND LTD. NEW DELHI

III	**Investing party or venturer in respect of which the reporting entity is an Associate or Joint Venture:-**	
	1.	MGF Developments Limited
IV	**Joint ventures of the reporting entity:-**	
	1.	Leighton Construction (India) Private Limited
	2.	Budget Hotels India Private Limited
V	**Associate of the reporting entity:-**	
	1.	Acreage Builders Private Limited
VI	**Fellow subsidiary of the reporting entity:-**	
	1	The Address Dubai Marina LLC Dubai*
VII	**Enterprise owned by Key Management Personnel or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise:-**	
	1	Boulder Hills Leisure Private Limited
	2	Cyberabad Convention Centre Private Limited
	3	New Era Impex (India) Private Limited
	4	Emaar Hills Township Private Limited
	5	Oriole Exports Private Limited
	6	SSP Aviation Limited
	7	Vishnu Apartments Private Limited
	8	Capital Vehicles Sales Limited
	9	Moonlight Continental Private Limited
	10	Sareen Estates Private Limited
	11	The City Square Mall Management
	12	Aryun Life Style Private Limited
	13	MGF Event Management
	14	Emaar Malls Company PJSC

*W.e.f. March 27, 2017, Emaar Holding II and Emaar Properties PJSC became the holding company and ultimate holding company respectively. Consequently, The Address Dubai Marina LLC Dubai became fellow subsidiary of the Company. The said companies were earlier disclosed as investing party or venturer in respect of which the reporting entity is an Associate or Joint Venture.

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EMAAR MGF LAND LTD. NEW DELHI

S.R. BATLIBOI & CO. LLP
GURGAON

EMAAR MGF LAND LTD.
NEW DELHI

(Amount in Rupees million, unless otherwise stated)

C. Remuneration to Key Managerial Personnel

Particulars	31 March 2017	31 March 2016
Short term employee benefits	23.95	26.44
Post employment benefits	3.60	0.78
Other long-term employee benefits	2.40	1.63
Termination benefits	10.35	9.77
Sitting fees to directors	4.53	1.60

D. The Company, vide a revenue sharing agreement dated April 7, 2008 entered into with Emaar MGF Constructions Private Limited ("EMCPL"), had agreed to collaborate and develop the project through pooling of financial resources. On account of the same and as per the terms of the arrangement, the Company w.e.f. July 1, 2009 was entitled to 24% (up to June 30, 2009 - 25%) of the Gross Revenue derived by EMCPL through sale proceeds from building and structures proposed to be constructed in Commonwealth Games Village 2010 project, except in the case of sale of flats to Delhi Development Authority, wherein the Company was entitled to 17% of the Gross Revenue derived by EMCPL. Accordingly revenue amounting to Rs. 2.63 million (March 31, 2016 - Rs. 23.17 million) has been accounted for by the Company during the year.

E. During earlier years, the Company had entered into joint development agreements, as amended, with two of its subsidiaries for co-development of certain land parcels. Pursuant to the said joint development agreements, the two subsidiaries have acquired right to undertake co-development of projects on the said land parcels and have accordingly made an aggregate advance of Rs. 4,249.50 million (March 31, 2016 - Rs. 4,249.50 million and April 1, 2015 – Rs. 4,249.50 million) to the Company. The said joint development agreements provided for sharing of revenue from such projects in the ratio of 80:20 between the Company and subsidiaries respectively. The Company is under discussions with the other shareholder of the two subsidiaries for a revised arrangement and joint development of alternate land parcels. As at March 31, 2017, the Company has not recognized any revenue on the said projects and consequently, no amount has been shared with the two subsidiaries.

F. During the financial year 2012-13, the Company had entered into an agreement for purchase of 9,235,434 Fully Convertible Debentures (FCDs) of Rs. 640 each issued by one of its subsidiary "Accession Buildwell Private Limited". These FCDs were convertible into 9,235,434 equity shares of Rs. 10 each subject to certain conditions mentioned in the agreement therein. The FCDs carried interest at 0.1% p.a payable yearly and convertible in December 2022. Considering the nature of investments, the same has been fair valued through profit and loss as at April 01, 2015 and as at March 31, 2016 in accordance with Ind AS 109.

As per the terms of above agreement (as amended), the subsidiary was required to obtain license and develop certain land parcels by February 28, 2017. Since the subsidiary was not able to fulfill the said obligation within the stipulated time period, the amount invested in FCDs became repayable on demand as per the terms mentioned in the agreement. Accordingly, the said amount has been disclosed as receivable from subsidiary company and the amount invested in FCDs has been reduced to nil as at March 31, 2017.

Consequently, on March 1, 2017 both the parties executed a settlement agreement whereby the subsidiary company agreed to assign advances aggregating to Rs. 2,115.65 million and also adjusted the amount receivable from the Company aggregating to Rs 1,843.95 million resulting in a net receivable of Rs. 1,952.08 million from the subsidiary company which would be repaid by February 28, 2018 alongwith 10% p.a. interest.

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EMAAR MGF LAND LTD. NEW DELHI *

(Amount in Rupees million, unless otherwise stated)

37. Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

Financial assets and liabilities

The accounting classification of each category of financial instruments, their carrying amounts and their fair values are set out below:

As at 31 March 2017

Financial assets	Fair Value through profit & loss	Fair Value through other comprehensive income	Amortised Cost	Total Carrying Value	Total fair value
Investments in mutual funds	685.35	-	-	685.35	685.35
Investment in government and trust securities	-		0.02	0.02	0.02
Loans			10,469.08	10,469.08	10,469.08
Trade receivables	-	-	543.64	543.64	543.64
Cash and cash equivalents	-	-	309.84	309.84	309.84
Other bank balances	-	-	1,388.90	1,388.90	1,388.90
Other financial assets	-	-	2,617.25	2,617.25	2,617.25
Total	**685.35**	-	**15,328.73**	**16,014.08**	**16,014.08**

Financial liabilities	Fair Value through profit & loss	Fair Value through other comprehensive income	Amortised Cost	Total Carrying Value	Total fair value
Long term borrowings including current maturities	-	-	35,117.94	35,117.94	35,117.94
Short term borrowings	-	-	21,618.81	21,618.81	21,618.81
Interest accrued on borrowings	-	-	8,113.17	8,113.17	8,113.17
Trade payables	-	-	2,756.58	2,756.58	2,756.58
Other financial liabilities	-	-	1,314.84	1,314.84	1,314.84
Total	-	-	**68,921.34**	**68,921.34**	**68,921.34**

As at 31 March 2016

Financial assets	Fair Value through profit & loss	Fair Value through other comprehensive income	Amortised Cost	Total Carrying Value	Total fair value
Investments in mutual funds	275.99	-	-	275.99	275.99
Investment in debentures	5,338.63			5,338.63	5,338.63
Investment in government and	-	-	0.02	0.02	0.02

NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

trust securities					
Loans			8,819.26	8,819.26	8,819.26
Trade receivables	-	-	589.13	589.13	589.13
Cash and cash equivalents	-	-	154.46	154.46	154.46
Other bank balances	-		2,449.04	2,449.04	2,449.04
Other financial assets	-	-	2,714.10	2,714.10	2,714.10
Total	**5,614.62**	-	14,726.01	**20,340.63**	**20,340.63**

Financial liabilities	**Fair Value through profit & loss**	**Fair Value through other comprehensive income**	**Amortised Cost**	**Total Carrying Value**	**Total fair value**
Long term borrowings including current maturities		-	33,050.55	33,050.55	31,834.46
Short term borrowings	-	-	13,891.20	13,891.20	13,891.20
Interest accrued on borrowings	-		6,091.06	6,091.06	6,091.06
Trade payables	-	-	5,267.83	5,267.83	5,267.83
Other financial liabilities	-	-	1,297.93	1,297.93	1,297.93
Total	-	-	**59,598.57**	**59,598.57**	**58,382.48**

As at 01 April 2015

Financial assets	**Fair Value through profit & loss**	**Fair Value through other comprehensive income**	**Amortised Cost**	**Total Carrying Value**	**Total fair value**
Investments in mutual funds	286.01	-	-	286.01	286.01
Investment in debentures	5,340.16			5,340.16	5,340.16
Investments in equity shares	26.00			26.00	26.00
Investment in government and trust securities	-	-	0.02	0.02	0.02
Loans			8,890.24	8,890.24	8,890.24
Trade receivables	-	-	692.90	692.90	692.90
Cash and cash equivalents	-	-	379.39	379.39	379.39
Other bank balances	-	-	2,804.13	2,804.13	2,804.13
Other financial assets	-	-	2,803.37	2,803.37	2,803.37
Total	**5,652.17**	-	15,570.05	21,222.22	**21,222.22**

(Amount in Rupees million, unless otherwise stated)

Financial liabilities	Fair Value through profit & loss	Fair Value through other comprehensive income	Amortised Cost	Total Carrying Value	Total fair value
Long term borrowings including current maturities	-	-	31,153.49	31,153.49	30,740.29
Short term borrowings	-	-	15,128.47	15,128.47	15,128.47
Interest accrued on borrowings	-	-	2,667.88	2,667.88	2,667.88
Trade payables	-	-	5,041.83	5,041.83	5,041.83
Other financial liabilities	-	-	1,762.53	1,762.53	1,762.53
Total	**-**	**-**	**55,754.20**	**55,754.20**	**55,341.00**

Note: Investments in equity of subsidiaries, associates and joint ventures which are carried at cost are not covered under Ind AS 107 and hence not been included above.

The management assessed that fair value of financial assets such as cash and cash equivalent, other bank balances, trade receivables, loans and advances, etc. and all the financial liabilities excluding long term borrowings significantly approximate their carrying amounts due to their short term maturity profiles.

The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investments in mutual funds is determined using quoted net assets value of the funds at each reporting date.

The following methods and assumptions were used to estimate the fair values:

(i) The fair value of the Company's interest bearings borrowings, which are measured at amortised cost, determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant, a level 3 technique.
(ii) Fair value of quoted mutual funds is based on the quoted net asset value as at the reporting date, a level 1 technique.
(iii) The fair value of unquoted instruments and other financial assets and liabilities is estimated either by reference to the net assets value as at the reporting date or by discounting future cash flows using rates using rates currently applicable for debt on similar terms, credit risk and remaining maturities, a level 3 technique.

38. Fair value disclosures of investment in fully convertible debentures

During the financial year 2012-13, the Company had entered into an agreement for purchase of certain Fully Convertible Debentures (FCDs) of Rs.640 each issued by one of its subsidiary as more fully described in note 36F.

The subsidiary owned certain unlicensed land parcels and therefore the valuation has been determined based on fair value of its net assets.

Reconciliation of fair value is presented as under:

Particulars	Amount
Fair value as at 1 April 2015	**5,340.16**
Fair value difference	(1.53)
Fair value as at 31 March 2016	**5,338.63**

EMAAR MGF LAND LTD NEW DELHI

S.R. BATLIBOI & CO. GURGAON

(Amount in Rupees million, unless otherwise stated)

Description of valuation techniques used and key inputs to valuation of FCDs:

Fully convertible debentures	Valuation technique	Significant unobservable Inputs	Assumption used 31 March 2016	01 April 2015
Investment in FCDs	Fair value of net assets method (refer below)	Fair value of net assets based on cost ~ Rs. 25,000 per acre of land measuring 271.15 acres	5,338.63	5,340.16

Determination of share valuation by using fair value of nets assets method (FNAV method) requires all assets and liabilities (including off-balance sheet, intangible and contingent liability) to be adjusted to reflect its estimated market value and to be netted off and the fair value of net value arrived is the indicated fair value of the equity.

The subsidiary company owns 271.15 acress of unlicensed land parcels and as per the agreement with the Company, it is obliged to transfer these land parcels to the Company at a predetermined price upon obtaining the land licenses. Therefore management believes that FNAV is the most appropriate method of valuation.

During the year, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out Level 3 fair value measurements.

39. Financial risk management objectives and policies

The Company's business is subject to several risks and uncertainties including financial risks.

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of the Company's financial liabilities is to finance the acquisition and development of the Company's property portfolio. The Company's principal financial assets include loans and advances, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds short term investments in mutual funds.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management is guided by a Risk Management Compliance Policy that describes the key financial risks and the appropriate financial risk governance framework for the Company. Regular review of the policy by the Company's senior management ensures that the policies and procedures are in line and that financial risks are identified, measured and managed. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include trade receivables, unbilled receivables, borrowings, bank deposits and investments measured at fair value through profit and loss account. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

EMAAR MGF LAND LTD NEW DELHI

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long and short term debt obligations with floating interest rate.

During the past two financial years, the Company has not experienced significant increase (i.e. more than 200 basis points) in floating interest rates and therefore has not purchased any formal interest rate swaps and derivatives for the floating interest rate borrowings. The Company's treasury department manages the interest rate risk by regularly monitoring the requirement to hedge any of its floating interest rate debts.

At 31 March 2017, approximately 57.19% of the Company's borrowing are at fixed rate of interest (31 March 2016: 84.28% 1st April 2015: 82.45%).

The maximum exposure in relation to Company's floating rate borrowings is Rs. 23,882.35 million as at 31 March 2017(March 31, 2016 Rs. 7,380.53 million and April 01, 2015 Rs. 8,121.95 million).

The sensitivity analysis presented below exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; fixed rate borrowings and the non-financial instruments. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2017 and 31 March 2016.

The below mentioned table demonstrates the sensitivity to a reasonably possible changes in interest rates, with all variables held constant, of the Company's profit before tax (through the impact on floating rate borrowings)

Particulars	**Increase/Decrease in Basis Points**	**Effect on profit before tax**
		Rs. in million
31 March 2017		
INR	50	72.72
31 March 2017		
INR	-50	(72.72)

Particulars	**Increase/Decrease in Basis Points**	**Effect on profit before tax**
		Rs. in million
31 March 2016		
INR	50	29.28
31 March 2016		
INR	-50	(29.28)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency risk

Fluctuations in foreign currency exchange rates may have an impact on the statement of profit and loss, the statement of change in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. Considering the economic environment in which the Company operates, its operations are subject to risks arising from the fluctuations primarily in the USD, SGD, AED, GBP and Euro against the functional currency of the Company:

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Foreign Currency	Amount (Rs. Million)	Foreign Currency	Amount (Rs. Million)	Foreign Currency	Amount (Rs. Million)
Foreign trade payables:						
USD in million	0.55	36.19	0.56	37.96	0.45	28.49
GBP in million	0.05	4.19	0.05	4.90	0.05	4.75
SGD in million	0.88	42.07	1.02	51.36	0.99	46.12
AED in million	2.28	41.02	2.38	44.25	2.30	40.36
Foreign Advances:						
EUR in million	-	-	-	-	0.01	0.55

The increase/ (decrease) in foreign currency exchange rates are not expected to have any significant impact in these financial statements

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables, unbilled receivables and advances given under collaboration agreement for land development).

Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The carrying value of the financial assets represents the maximum credit exposure. The Company's maximum credit exposure to credit risk is Rs. 18,008.04 million as at March 31, 2017 (March 31, 2016 Rs. 22,255.59 million and April 01, 2015 Rs. 22,648.36 million). For the details of trade receivables that are past due as at March 31, 2017, March 31, 2016 and April 01, 2015 please refer note no. 13.

Regarding trade receivables, loans and other financial assets (both current and non-current), there were no indications as at March 31, 2017, that defaults in payment obligations will occur except as described in note 6, 10, 11 and 13 on allowance for impairment of trade receivables and other financial assets.

Trade receivables and unbilled receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on credit risk. The Company earns its revenue form a large number of customer spread across a single geographical segment. Geographically, the entire Company's trade and unbilled receivables are based in India

EMAAR MGF LAND LTD. NEW DELHI

S.R. BATLIBOI & CO. LLP GURGAON

The Company has entered into contracts for sale of residential and commercial units and plots of land on an installment basis. The installments are specified in the contracts. The Company is exposed to credit risk in respect of installment due. However the legal ownership of residential, commercial units and plots of land is transferred to the buyer only after all installments are recovered. In addition installment dues are monitored on an ongoing basis with the result that Company exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date that represents its estimate of expected losses in respect of trade, unbilled and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures and a collective loss component established for Company's of similar assets in respect of losses that have been expected but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. The exposure to credit risk at reporting date is not significant.

Credit risk on receivables is limited as all sales are secured against Company's contractual right of forfeiture of customer's advances and cancellation of contract under which property is sold.

Moreover, given the nature of the Company's businesses, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue on a consolidated basis in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

Financial guarantee

The Company has provided a financial guarantee to bank in respect of a loan facility availed by one of its subsidiary. Maximum exposure of the Company in respect of financial guarantee is the outstanding loan balance i.e. Rs. 16.15 million as on March 31, 2017 (March 31, 2016: Rs. 96.81 million and April 1, 2015: Rs. 139.86 million).

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligation as they fall due. The Company monitors its risk of a shortage of funds using a fund management plan approved by the Board of Directors. The Company's strategy is to invest in highly liquid investments which can be encashed on demand. This plan considers the maturity of financial assets (e.g. trade receivables and other financial assets), business requirements and projected cash flow from operations and accordingly decisions regarding purchase and sale of highly liquid funds are made by the centralized Company treasury team.

The cash flows, funding requirements and liquidity of Company are monitored on a centralised basis under the control of Company Treasury. The objective of this centralised system is to optimise the efficiency and effectiveness of the management of the Company's capital resources. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures and finance leases. Approximately 12.00% of the Company's debt will mature in less than one year at 31 March 2017 (31 March 2016: 15.60%, 1 April 2015: 16.00%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at 31 March 2017						
Trade payables	2,756.58		-	-	-	**2,756.58**
Interest Bearing Borrowings*	8,642.74	1,190.42	4,772.07	61,196.79	1,983.55	77,785.57
Other financial liabilities**	1,314.84	-		-	-	**1,314.84**
Total	**12,714.16**	**1,190.42**	**4,772.07**	**61,196.79**	**1,983.55**	**81,856.99**
As At 31 March 2016						
Trade payables	5,267.83					**5,267.83**
Interest Bearing Borrowings*	7,405.72	1,412.33	7,677.23	53,725.53	981.15	**71,201.96**
Other financial liabilities**	1,297.93					1,297.93
Total	13,971.48	**1,412.33**	7,677.23	53,725.53	981.15	77,767.72
As at 1 April 2015						
Trade payables	5,041.83					5,041.83
Interest Bearing Borrowings*	8,138.35	1,619.19	4,027.13	55,463.20	1,656.13	**70,904.00**
Other financial liabilities**	1,762.53					1,762.53
Total	14,942.71	1,619.19	4,027.13	55,463.20	1,656.13	77,708.36

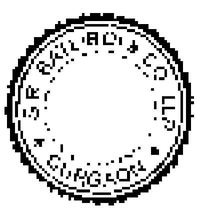
* Includes non-current borrowings, current borrowings, current maturities of long term borrowings and accrued interest obligations and future interest obligations.

**Includes both non-current and current financial liabilities and excludes current maturities of long term borrowings.

At 31 March 2017, the Company had available Rs. 228.00 million (March 31, 2016: Rs. 75.00 million, April 1, 2015: Nil) of undrawn committed borrowing facilities.

40. Segment Reporting

The Company publishes these financial statements along with its consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.



(Amount in Rupees million, unless otherwise stated)

41. Capital Management

Net debts comprises of non-current and current debts (including trade payables and other financial liabilities) as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components of equity including other comprehensive income.

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Company also ensures that it remains within the quantitative debt covenants and maintains a strong credit rating. Breaches in meeting the financial covenants would permit the debt issuers to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current year.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2017 and 31 March 2016.

There is Rs. 228.00 million amount of undrawn borrowing available at 31 March 2017 (March 31, 2016 Rs. 75.00 million, April 01, 2015 - Nil).

Particulars	**31 March 2017**	**31 March 2016**	**01 April 2015**
Borrowings	23,585.25	14,584.79	15,822.06
Trade payables	2,756.58	5,267.83	5,041.83
Other financial liabilities	42,579.51	39,745.95	34,890.32
Cash and cash equivalents	(309.84)	(154.46)	(379.39)
Other bank balances	(1,388.90)	(2,449.04)	(2,804.13)
Current investments	(685.35)	(275.99)	(312.01)
Net debts (a)	**66,537.25**	**56,719.08**	**52,258.68**
Total equity (b)	**19,565.09**	**27,111.82**	**33,508.32**
Capital and net debt (c=a+b)	**86,102.34**	**83,830.90**	**85,767.00**
Gearing ratio (%) (d=a/c)	**77.28%**	**67.66%**	**60.93%**

42. The Company has incurred a book loss of Rs. 7,546.73 million (March 31, 2016 -Rs. 6,396.50 million), besides, also incurring cash loss primarily on account of finance costs and has overdue liabilities. Further, as at March 31, 2017 the Company has debts of Rs. 1,298.66 million (March 31, 2016 - Rs. 3,469.91 million) which are due for repayment in the next one year. As per the present business plans the Company would require additional capital either in the form of long term debts/equity for an aggregate of Rs. 8,000.00 million (March 31, 2016 - Rs. 19,750.00 million) to be able to meet its financial obligations in the next one year. The Company along with its ultimate holding Company, Emaar Properties PJSC, has been exploring options for raising additional funds to meet its financial obligations and is working with certain lenders to re-schedule the principal and

EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

interest payment terms in line with its expected cash flows. As more fully described in note 46, the Company and its promoters have also filed a Scheme of Arrangement before the Hon'ble High Court of Delhi for reorganizing its business and demerging part of the same to a separate entity to better manage its fund requirements. The management also has considered the fact that the Company has significant asset base, including land inventories or land development rights, which can yield values in excess of their book values and can hence be used for raising additional capital, if and when required. In view of the same, the management of the Company is hopeful of generating sufficient cash flows in the future to meet the Company's financial obligations. Hence, these financial statements have been prepared on a going concern basis.

43. The Company is engaged in the business of promotion, construction, development and sale of integrated townships, residential and commercial multistoried buildings, houses, flats, shopping malls, hotels, IT parks, etc. The Company has acquired various land parcels and is into initial stage of project implementation. Since it is not possible at this stage to identify separately the amounts to be shown under "property plant and equipments" and "inventories", the cost incurred on development of projects is included under the head 'Projects in Progress'.

44. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006
(Based on the information, to the extent available with the Company)

S. No.	Particulars	31 March 2017	31 March 2016
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	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 expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

45. Details of Specified Bank Notes held and transacted during period from 8 November 2016 to 30 December 2016

(Amount in Rs.)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as at 08 November 2016	164,000	34,258	198,258
Transaction between 09 November 2016 and 30 December 2016			

SR BATLIBOI & CO LLP GURGAON

EMAAR MGF LAND LTD NEW DELHI

(Amount in Rupees million, unless otherwise stated)

Add: Withdrawal from bank accounts	-	550,000	550,000
Add: Receipts for permitted transactions	-	99,263	99,263
Less: Paid for permitted transactions	-	490,907	490,907
Less: Deposited in Bank accounts	164,000	90,937	254,937
Closing cash in hand as at 30 December 2016	-	**101,677**	101,677

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November, 2016.

46. Disposal group held for distribution

In order to lend greater focus on the operation of the Company's businesses/projects and for the purpose of developing the potential for further growth and expansion, the Board of Directors of the Company have decided to demerge some of the assets and liabilities of the Company into a separate undertaking, pursuant to a Scheme of Arrangement entered between the Company and MGF Developments Ltd ("Resulting Company") and their respective shareholders and creditors under Section 391 and 394 of the Companies Act 1956 read with sections 100 to 103 of the Companies Act 2013. The scheme was approved by the shareholders of the Company on 12 July 2016 and is pending for approval before the Hon'ble National Company Law Tribunal ("NCLT").

The major classes of assets and liabilities of the disposal group as at March 31, 2017 to be demerged into a separate undertaking have been disclosed as held for distribution as under and may be further revised based on changes/adjustments upto the Effective Date, being the date of approval by NCLT.

Particulars	**Amount**
Assets	
Non-current assets	
Property, plant and equipment	4,852.41
Capital work-in-progress	976.60
Financial assets	
Investments	1,124.15
Others	0.28
Non current assets (A)	**6,953.44**
Current assets	
Inventories	9,269.12
Financial assets	
Investments	237.21
Loans	1,087.67
Trade receivables	194.75
Cash and cash equivalents	13.33
Other bank balances	573.35
Other financial assets	418.15
Other current assets	20,268.75
Current assets (B)	**32,062.33**
Total assets (A+B)	**39,015.77**
Liabilities	
Non current liabilities	
Long term borrowings	692.69
Non current liabilities (C)	**692.69**
Current liabilities	

Financial liabilities	
Short term borrowings	639.91
Trade payables	108.06
Other financial liabilities	9,682.10
Other current liabilities	2,795.37
Provisions	12.76
Current liabilities (D)	**13,238.20**
Total liabilities (C+D)	**13,930.89**

The Scheme further provides that cash flows not exceeding Rs. 11,500.00 million, arising out of the cash flows from the Marbella and Emerald Hills extension projects of the Company, are to be paid to the resulting company and the Company shall accrue such liability after completion of the demerger process and on realisation of such cash flows from the projects. Accordingly, no impact of the same has been given in these financial statements.

The above demerger is expected to be completed by 31 December 2017. No gain or loss is recognised in the statement of profit and loss in relation to the accounting of the assets and liabilities of the disposal group.

47. First time adoption of Ind AS

The financial statements for the year ended March 31, 2017 are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended March 31, 2017 and the comparative period information.

For all periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, and the presentation requirements of the Companies Act, 2013 (Previous GAAP).

The transition to Ind AS was carried out in accordance with Ind AS 101, with April 1, 2015 being the date of transition. This note explains the mandatory exceptions on the first- time adoption of Ind AS availed in accordance with Ind AS 101 and an explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position and financial performance resulting from principal adjustments made under IND AS.

Mandatory exceptions

a) Accounting estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP except in case of investment in a compound financial instrument measured at fair value through profit and loss account where application of Previous GAAP did not required estimation.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

(Amount in Rupees million, unless otherwise stated)

b) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets bases on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

The following reconciliations provide the effect of transition to Ind AS from Previous GAAP in accordance with Ind AS 101.

(1) **Equity reconciliation as at April 01, 2015**

Particulars	Note	Previous GAAP	Effects of transition to Ind AS	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	(i.)	4,748.45	692.66	5,441.11
Capital work-in-progress		1,008.65	-	1,008.65
Intangible assets		1.63	-	1.63
Financial Assets				
Investments		6,762.33	3.99	6,766.32
Others		3.46	-	3.46
Other non-current assets		35.15	-	35.15
Total non-current assets (A)		**12,559.67**	**696.65**	**13,256.32**
Current assets				
Inventories	(ii.)	39,316.18	8,743.64	48,059.82
Financial assets				
Investments	(iii.)	308.61	3.40	312.01
Loans	(iv.)	9,035.78	(145.54)	8,890.24
Trade receivables	(ii.)	695.06	(2.16)	692.90
Cash and cash equivalents		379.39	-	379.39
Other bank balances		2,804.13	-	2,804.13
Other financial assets	(ii.)	2,675.87	124.04	2,799.91
Current tax assets (net)		204.76	-	204.76
Other current assets	(ii.) & (vii.)	58,682.19	888.47	59,570.66
Total current assets (B)		**114,101.97**	**9,611.85**	**123,713.82**
Total assets (A+B)		**126,661.64**	**10,308.50**	**136,970.14**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		9,126.20	-	9,126.20
Other equity		20,119.98	4,262.14	24,382.12
Total equity (C)		**29,246.18**	**4,262.14**	**33,508.32**
Liabilities				

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

Non-current liabilities				
Financial liabilities				
Borrowings	(i.)	0.90	692.69	693.59
Total non-current liabilities (D)		**0.90**	**692.69**	**693.59**
Current liabilities				
Financial liabilities				
Borrowings	(vi.) & (vii.)	17,121.28	(1,992.81)	15,128.47
Trade payables	(ii.)	5,040.62	1.21	5,041.83
Other financial liabilities	(vii.)	35,437.79	(547.48)	34,890.31
Other current liabilities	(ii.)	39,118.73	8,223.77	47,342.50
Provisions	(ii.)	696.14	(331.02)	365.12
Total current liabilities (E)		**97,414.56**	**5,353.67**	**102,768.23**
Total equity and liabilities (C+D+E)		**126,661.64**	**10,308.50**	**136,970.14**

(2) Equity reconciliation as at March 31, 2016

Particulars	Note	Previous GAAP	Effects of transition to Ind AS	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	(i.)	4,716.52	692.71	5,409.23
Capital work-in-progress		1,016.90	-	1,016.90
Intangible assets		0.83	-	0.83
Financial Assets				
Investments		7,247.48	6.13	7,253.61
Others		3.46	-	3.46
Other non-current assets		1.31		1.31
Total non-current assets (A)		**12,986.50**	**698.84**	**13,685.34**
Current assets				
Inventories	(ii.)	40,202.71	5,926.98	46,129.69
Financial assets				
Investments	(iii.)	272.29	3.70	275.99
Loans	(iv.)	8,982.92	(163.66)	8,819.26
Trade receivables	(ii.)	494.32	94.81	589.13
Cash and cash equivalents		154.46		154.46
Other bank balances		2,449.04	-	2,449.04
Other financial assets	(ii.)	2,289.27	421.37	2,710.64
Current tax assets (net)		274.82	-	274.82
Other current assets	(ii.) & (vii.)	55,884.40	902.81	56,787.21
Total current assets (B)		**111,004.23**	**7,186.01**	**118,190.24**

EMAAR MGF LAND LTD NEW DELHI

(Amount in Rupees million, unless otherwise stated)

Total assets (A+B)		**123,990.73**	**7,884.85**	**131,875.58**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		9,126.20		9,126.20
Other equity		13,099.33	4,886.29	17,985.62
Total equity (C)		**22,225.53**	**4,886.29**	**27,111.82**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	(i.)	0.98	692.61	693.59
Total non-current liabilities (D)		**0.98**	**692.61**	**693.59**
Current liabilities				
Financial liabilities				
Borrowings	(vi.) & (vii.)	15,819.30	(1,928.10)	13,891.20
Trade payables	(ii.)	5,267.47	0.36	5,267.83
Other financial liabilities	(vii.)	40,646.55	(900.60)	39,745.95
Other current liabilities	(ii.)	38,680.67	5,634.61	44,315.28
Provisions	(ii.)	1,350.23	(500.32)	849.91
Total current liabilities (E)		**101,764.22**	**2,305.95**	**104,070.17**
Total equity and liabilities (C+D+E)		**123,990.73**	**7,884.85**	**131,875.58**

(3) Reconciliation of Statement of Profit and loss as per Previous GAAP to total comprehensive income/(loss) as per IND AS for the year ended 31 March 2016:

Particulars	Note	Previous GAAP	Effects of transition to Ind AS	Ind AS
Income				
Revenue from operations	(ii.)	7,402.88	3,180.74	10,583.62
Other income	(iii.)	437.94	2.30	440.24
Total Revenue (I)		**7,840.82**	**3,183.04**	**11,023.86**
Expenses				
(Increase)/decrease in inventories	(ii.)	(823.22)	2,831.39	2,008.17
Cost of land and development rights	(ix.)	1,466.03	137.83	1,603.86
Material cost and contractor expenses		3,135.38	0.10	3,135.48
Employee benefits expense	(v.)	788.70	9.99	798.69
Depreciation and amortization expense		50.86	(14.83)	36.03

(Amount in Rupees million, unless otherwise stated)

Finance costs	(i.), (vi.) & (vii.)	5,175.70	2,104.62	7,280.32
Other expenses	(i.) & (ii.)	2,759.44	(191.64)	2,567.80
Total Expenses (II)		**12,552.99**	**4,877.46**	**17,430.35**
Loss before tax (I)-(II)		**(4,712.07)**	**(1,694.42)**	**(6,406.49)**
Total tax expense		-	-	-
Loss after tax for the year (A)		**(4,712.07)**	**(1,694.42)**	**(6,406.49)**
Other comprehensive income				
Items that will not be recycled to profit or loss:				
Remeasurement of the defined benefit liabilities / (asset)	(v.)	-	9.99	9.99
Other comprehensive income for the year (B)		-	**9.99**	**9.99**
Total comprehensive loss for the year (A + B)		**(4,712.07)**	**(1,684.43)**	**(6,396.50)**

Footnotes to the reconciliation of equity as at 1 April 2015 and 31 March 2016 and profit or loss for the year ended 31 March 2016:

(i.) **Property Plant and Equipment**

Under Previous GAAP, no specific accounting treatment for land taken on perpetual lease was required, as the same was outside the scope of AS-19. However, as per Ind AS 17, land taken on perpetual lease is treated as a lease and is generally classified as a finance lease. At initial recognition, finance lease asset is recognised as property, plant and equipment with a corresponding obligation which is disclosed as a finance lease obligation.

Accordingly, on the transition date, the Company has increased the value of property, plant and equipment by Rs. 692.69 million with a further corresponding recognition of finance lease obligation. Accordingly, rental payments of Rs. 97.45 million made during the year ended March 31, 2016 have also been reclassified from rent expenses to finance cost.

(ii.) **Inventories and Revenue from operations**

Under Previous GAAP, no specific accounting treatment for barter transactions of dissimilar goods was required. However, under Ind AS, Company is required to account for barter transactions for dissimilar goods on fair value.

The Company has entered into Joint development agreements ('JDA') with the third parties i.e. landowners for jointly developing the projects on land parcels owned by them against which the Company is required to allot developed plots/units either in the said projects or some other projects. Due to fair value accounting of these transactions under Ind AS, there is an increase in the inventory by Rs.8,743.65 million (net of charge off of Rs. 2,002.17 million) and Rs. 5,926.98 million (net of charge off of Rs. 4,969.81 million) as at April 1, 2015 and March 31, 2016 respectively. The effect of increase in the cost also has an effect of increase in revenue. The cumulative revenue as at April 1, 2015 has increased by Rs. 3,897.96 million resulting into overall increase in the retained earnings by Rs. 1895.79 million. The impact of the above adjustment on statement of profit and loss for the year ended March 31, 2016

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LTD. NEW DELHI

amounted to Rs. 213.10 million (representing difference of increase in revenue and inventory charge off amounting to Rs. 3,180.74 million and Rs. 2,967.64 million respectively). Further, unearned revenue, trade receivables, unbilled revenue, loans to related parties, prepaid brokerage expenses and collections in excess of revenue have been reinstated/made as at April 1, 2015 and March 31, 2016 in the financial statements on account of impact of above mentioned adjustments.

Further, under Ind AS, revenue is to be recognised at fair value of consideration received or receivable taking into account the amount of any trade discounts or volume rebate or additional credit allowed by seller of goods. The Company has considered compensation paid/accrued on delayed possession of units/plots while calculating the fair value of consideration. Accordingly, the said cost which was included under other expenses in Previous GAAP has now been reduced from revenue. Consequently, the provision created has also been adjusted with the collections received from customers.

(iii.) **Current Investments**

Under Previous GAAP, current investments in mutual funds are accounted for at cost or market price, whichever is lower. Under Ind AS, such investments are required to be accounted for at fair value through profit and loss. Accordingly, investments in mutual funds have been fair valued as at 1 April 2015 and 31 March 2016 resulting into increase in investments and retained earnings by Rs. 3.40 million and Rs. 3.70 million respectively.

(iv.) **Financial Assets – Loans (Current)**

Under the Previous GAAP, interest free security deposits are recorded and carried at their transaction value less any provision for impairment. Under Ind AS, all such financial assets are initially required to be recognised at fair value. Accordingly, one of the company's subsidiary has fair valued the security deposit under Ind AS. Difference between fair value of security deposits and the carrying value (transaction value) as per Previous GAAP has been recognised as deferred lease expenditure.Total equity has decreased by Rs. 160.55 million on account of amortisation of deferred lease expenditure which is partially off-set by the income arising on unwinding of the security deposit of Rs. 15.01 million as at April 01, 2015 with a corresponding impact on the retained earnings. The net impact of the above adjustment on statement of profit and loss for the year ended March 31, 2016 amounted to Rs. 18.12 million.

(v.) **Defined benefit liabilities**

Under Previous GAAP, the entire cost, including actuarial gains and losses, was charged to profit or loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income. Thus the employee benefit cost is increased and other income is reduced and remeasurements gains/ losses on defined benefit plan have been recognized in the other comprehensive income net of tax. There is no impact on total equity as on March 31, 2016 on account of the same.

(vi.) **Compulsory convertible debentures**

The Company had issued compulsory convertible debentures. The debentures carry fixed interest rate which is non-discretionary. Under Previous GAAP, the debentures were classified as borrowings and interest payable thereon was treated as finance cost.

Under Ind AS, compulsory convertible debentures are treated as compound financial instrument and separated into liability and equity components based on the terms of the contract. Accordingly, borrowing is reduced by Rs. 1,848.75 million on the transition date (March 31, 2016: Rs. 1,848.75 million) with a corresponding increase in other equity as equity component of compulsory convertible debenture. Interest cost on liability component is recognized on effective interest method resulting into increase of Rs. 117.31 million and Rs. 50.07 million in the retained earnings as at April 1, 2015 and statement of profit and loss account for year ended March 31, 2016 respectively.

S.R. BATLIBOI & CO. LLP GURGAON

EMAAR MGF LAND LIMITED NEW DELHI

EMAAR MGF LAND LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(Amount in Rupees million, unless otherwise stated)

(vii) Borrowings

Under Previous GAAP, transaction costs incurred in connection with borrowings were amortised in the year in which borrowings were taken or alternatively amortised in statement of profit and loss account over the tenure of borrowings on straight line basis. Under Ind AS amortised cost of borrowings have been calculated using effective interest rate (EIR) method by taking into account the transaction costs. The impact of the above adjustment on the total equity amounted to Rs.538.57 million and Rs. 788.34 million as at April 1, 2015 and as at March 31, 2016 respectively.

(viii.) **Reconciliation of cash flows for the year ended March 31, 2016**

The adjustments as explained above are of non-cash nature and accordingly, there are no material differences in cash flows from operating, investing and financing activities as per the Previous GAAP and as per Ind AS.

As per our report of even date.

For S. R. Batliboi & Co. LLP
Firm registration number: 301003E/E300005
Chartered Accountants

per Naman Agarwal
Partner
Membership No.: 502405

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

Haroon Saeed Siddiqui
Director
DIN-05250916

Ashish Narayan Prasad Kabra
Director
DIN-06408748

Sanjay Malhotra
Chief Executive Officer

Rahul Bindle
Chief Financial Officer

Bharat Bhushan Garg
Company Secretary

Place: Gurgaon
Date: May 25, 2017