

24<sup>th</sup> March 2022

To  
BSE Limited Floor 25,  
PL Tower Dalal Street  
Mumbai - 400 001

Code: 530543

Dear Sir / Madam, Sub: Outcome of the Board Meeting dated 24<sup>th</sup> March, 2022.

We wish to bring to your notice that the Board of Directors at their meeting held today i.e. 24.03.2022 have considered and approved the followings:

1. Unaudited Financial Results (Standalone & Consolidated) for the Quarter and half year ended on 31<sup>st</sup> December, 2021.
2. Limited Review Report (Standalone & Consolidated) of the Independent Auditors' on Financial Results of the Company for the Quarter and half year ended 31<sup>st</sup> December, 2021.

The meeting commenced at 5.00 PM and concluded at 07.00 PM. This is for your necessary information and record.

Yours truly,  
For MARG Limited



**G RK Reddy Chairman & Managing Director**

**MARG LIMITED**

Regd. Office : Sri Sai Subhodhaya Apartments,  
Basement, No.57/2B, East Coast Road, Thiruvannamiyur, Chennai - 600 041, India. [www.marggroup.com](http://www.marggroup.com)  
CIN : L45201TN1994PLC029561

MARG LIMITED

CIN: L45201TN1994PLC029561

Regd Add: Sri sai subhodhaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur Chennai TAMILNADU 600041 INDIA  
STATEMENT OF AUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ENDED 31ST DECEMBER 2021

Sr No	Particulars	Quarter Ended			
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	31-Dec-20 (Unaudited)
1	Revenue from Operations	-	-	-	-
	(a)Net Sales/income from operations	-	-	-	-
	(b)Other operating income	0.83	0.03	0.03	1.44
2	Other income	0.83	0.03	0.03	1.44
3	Total Income(1+2)				
4	Expenses	-	0.00	0.52	-
	(a)Cost of materials consumed	-	-	-	-
	(b)Excise duty	-	-	-	-
	(c)Purchase of stock-in-trade	-	-	-	-
	(d)Changes in inventoriesof finished goods, work-in-progress and stock-in-trade	-	-	-	-
	(e)Employee benefits expenses	0.35	0.51	0.52	0.48
	(f)Finance Costs	-	-	-	0.01
	(g)Depreciation and amortisation expense	1.51	1.53	1.52	1.57
	(h)Other expense*	0.21	0.28	1.21	0.65
	Total Expenses	2.07	2.32	3.77	2.71
5	Profit before tax (3-4)	(1.24)	(2.29)	(3.74)	(1.27)
6	Tax Expenses	-	-	-	-
	(a)Current tax	-	-	-	-
	(b)Short provision of income tax in respect of earlier years	-	-	-	-
	(c)Deferred tax charge/ (credit)	-	-	-	-
7	Profit for the period (5-6)	(1.24)	(2.29)	(3.74)	(1.27)
8	Other Comprehensive income	-	-	-	-
	(i)Items that will not be reclassified to profit or loss	-	-	-	-
	(ii)Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	(iii)Items that will be reclassified to profit or loss	-	-	-	-
	(iv)Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income, net of income tax	-	-	-	-
9	Total comprehensive income (7+8)	(1.24)	(2.29)	(3.74)	(1.27)
10	Paid-up equity share capital (Face value Rs.10 each)	50.82	50.82	50.82	50.82
11	Earnings per share Face value of Rs. 10 each (not annualised):				
	(a)Basic (Rs.)	(0.24)	(0.45)	(0.74)	(0.25)
	(b)Diluted (Rs.)	(0.24)	(0.45)	(0.74)	(0.25)
	See accompanying notes to the Financial Results				

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## Notes to Financial Statements

- 1 Phoenix ARC Private Limited, Financial Creditor, filed a petition u/s 7 of the Insolvency and Bankruptcy Code, 2016 against subsidiary company M/s. New Chennai Township Private Limited (Corporate Debtor) with National Company Law Tribunal. NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/636/IB/CB/2017 dated 5th July, 2019. The NCLT has appointed Mr. L K Sivaramakrishnan as Interim Resolution Professional (IRP) vide order dated 5th July, 2019. Mr. L K Sivaramakrishnan as Interim Resolution Professional (IRP) and issued a public notice on 8th July, 2019. Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP. The Resolutions Professional had formed Committee of Creditors (COC) and discussed the need for extension of Corporate Insolvency Resolution Process in the 06th COC meeting. After a detailed discussion COC informed that since there were no viable Resolution Plan and put of the resolution for voting to file an application under Section 33(2) to initiate liquidation proceeding against the Corporate Debtor under Insolvency and Bankruptcy Code, 2016. Resolution professional has filed an application with NCLT for passing an order of liquidation in the light of the final order of the Corporate Debtor.
- 2 Tata Capital limited, Financial Creditor, file a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the subsidiary company M/s. Arohi Infrastructures Private Limited. NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March, 2018. The NCLT has appointed Mr. Rajendran as Interim Resolution Professional vide order dated 20/03/2018. The Corporate Resolution process commenced from 20th March 2018. Mr. Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice was given on 20th March 2018. Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP. The Committee of Creditors (COC) has been Constituted u/s 21 of IBC 2016 and first meeting of the COC is scheduled and held on 24th March 2018 at Chennai bench in its order dated 05.12.2018 ordering liquidation of Arohi Infrastructures Private Limited.
- 3 The above financial results have been reviewed by the audit committee and thereafter approved and taken on record by the Board of Directors in their respective meetings.
- 4 The Statutory auditors of the company have reviewed the above financial results of the company for the quarter ended 31st December 2021 and 31st March 2021 and have expressed on modified opinion on the same on the ground of compliance with Regulation 33 of SEBI (LODR) Refulations 2015 and have expressed on modified opinion on the same.
- 5 The figures for the Quarter ended 31st December 2021 and 31st March 2021 are balancing figures between the audited financial year and the published year-to-date figure upto 4th quarter of the respective financial year. Also the figures upto 3rd quarter had only been reviewed and not subject to audit.
- 6 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's disclosure.

The Company has investments in certain subsidiaries and related parties aggregating Rs. 566.93 Crore as at December 31, 2021. These entities have incurred significant losses and/or have negative net worth as at December 30, 2021, the underlying projects are in the early stages of real estate development and are expected to achieve adequate profitability on substantial completion. The market values of certain properties which are in excess of the carrying values. The Company considers its investments in these entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of Company's investments in such entities and for expected credit losses in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.
- 7 The company and Edelweiss ARC (EARC) agreed to restructure our debt repayment proposal. As a condition to the proposal, the company has to issue Equity Shares on a Preferential allotment/Private placement basis for part debt convert to equity and balance to be reallocated to the company (sustainable and unsustainable) by liquidating collateral assets offered over the period of time. On getting the revised Offer Letter agreement has to be executed. We have not provided interest on loans assigned to EARC during the year.

The Company did not provided for interest for the quarter ended 31st December, 2021 on certain loans that are assigned to EARC. The management states that its negotiating with the ARC for revised terms and conditions and seeking for concession in terms of rate of interest. Hence, the management is of the opinion considering such concessions it is appropriate not to charge a provision for the quarter ended 31st December 2021.
- 8
- 9

The company has invested in equity amounting to Rs 136.72 Crores (PY Rs 136.72 Crores) in Riverside infrastructure (I subsidiary of the company quarter ended 31st December 2021. The Company has advanced an amount of Rs 46.69 Cro as subordinated loan to the subsidiary and Rs 59.74 Crores (PY Rs 57.54 Crores) is carried forward as receivables quart 2021. No Interest is provided during the year on loan receivable from subsidiary. The Mall project of the subsidiary con 10 payments of dues to Banks/Financial Institutions towards principal and interest. The subsidiary company continues to partners and is confident of generating cash flows. Accordingly, the financial statements of the subsidiary company ha 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in re loans and receivables outstanding from the said subsidiary company quarter ended 31st December 2021.

The company has invested in equity amounting to Rs 54.05 Crores (PY Rs 54.05 Crores) in Marg Properties Limited, wi of the company for the quarter ended 31st December 2021. The Company has advanced an amount of Rs 45.52 Crores (I loan to the subsidiary and Rs 22.18 Crores (PY Rs 16.38 Crores) is carried forward as receivables quarter ended 31st De 11 subsidiary Company has negative net-worth as quarter ended 31st December 2021. The loans of the company have bee the Management is confident that the Company will be able to generate cash from ongoing projects in future years and obligation as they arise. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans an outstanding from the said subsidiary company for the quarter ended 31st December 2021.

The Company has debt repayment obligations (Including interest thereon) within next twelve months. The Company h cash losses for more than 3 years due to sluggish demand in the real estate sector. These could result in significant unce 12 meet these debt obligations and continue as going concern. The management is addressing this issue robustly and the C met its debt obligations. The Management Is confident that they will be able to arrange sufficient liquidity by restructu loans terms, monetization of non core assets and mobilisation of additional funds. Accordingly, the Standalone auditee prepared on a going concern basis.

The outbreak of COVID-19 pandemic and the resulting lockdown across the world has affected the Company's operati ended December 31, 2021. Accordingly, the Company has considered the possible effects that may result from the panc amounts of property, plant and equipment, investments, inventories, receivables and other current assets. The Compar liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these ase 13 The Company has estimated its liabilities in line with the current situation. The Company has considered internal and upto the date of approval of these financial results. The impact of COVID-19 on the Company's financial results may di estimated as at the date of approval of these financial results. The Company will continue to closely monitor any mater economic conditions. The impact on our future business would depend on future developments that cannot be reliably

For Marg Limited

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GRK Reddy  
Chairman and Managing Director  
Place: Chennai  
Date: 24-03-2022

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# MARG LIMITED ( STANDALONE)

## Balance Sheet

Particulars	Notes	As at	As at	As at	As at
		Dec 31, 2021 (Unaudited)	Dec 31, 2021 (Unaudited)	Mar 31, 2021 (Audited)	Mar 31, 2021 (Audited)
		In Rs.	In Crs	In Rs.	In Crs
<b>I ASSETS</b>					
<b>1 Non-Current Assets</b>					
a. Property, Plant and Equipment	2	192,995,458	19.30	235,405,329	23.54
b. Capital Work In Progress					
c. Investment Property	3	173,281,514	17.33	176,997,097	17.70
d. Goodwill					
e. Other Intangible Assets	4	1,558,179	0.16	1,558,179	0.16
f. Intangible Assets under Development					
g. Biological Assets other than Bearer Plants					
h. Financial Assets					
i. Investments	5	5,687,713,302	568.77	5,687,713,302	568.77
ii. Trade Receivables					
iii. Loans	6	3,983,139,727	398.31	3,981,140,036	398.11
iv. Others( to be specified)	7	973,631,257	97.36	973,631,257	97.36
i. Deferred Tax Assets ( Net)					
j. Other non-current assets	8	18,288,033	1.83	18,288,033	1.83
		<b>11,030,607,470</b>	<b>1,103.06</b>	<b>11,074,733,232</b>	<b>1,107.47</b>
<b>2 Current assets</b>					
a. Inventories		876,501,995	87.65	842,877,246	84.29
b. Financial Assets					
i. Investments	10				
ii. Trade Receivables	11	3,807,806,445	380.78	3,865,214,386	386.52
iii. Cash and Cash Equivalents	12	8,810,216	0.88	21,789,753	2.18
iv. Bank Balances other than iii)	13	91,488,273	9.15	90,971,422	9.10
v. Loans	14	2,428,013,613	242.80	2,461,457,906	246.15
vi. Others( to be specified)	15	1,764,618,944	176.46	1,764,523,897	176.45
c. Current Tax Assets ( Net)					
d. Other Current Assets	16	2,673,743,973	267.37	2,672,733,217	267.27
		<b>11,650,983,458</b>	<b>1,165.10</b>	<b>11,719,567,826</b>	<b>1,171.96</b>
		<b>22,681,590,928</b>	<b>2,268.16</b>	<b>22,794,301,059</b>	<b>2,279.43</b>
<b>TOTAL ASSETS</b>					
<b>II EQUITY AND LIABILITIES</b>					
<b>1 Equity</b>					
a. Equity Share Capital	1	508,184,590	50.82	508,184,590	50.82
b. Other Equity	1A	2,215,293,653	221.53	2,287,938,445	228.79
		<b>2,723,478,243</b>	<b>272.35</b>	<b>2,796,123,035</b>	<b>279.61</b>
<b>2 Non-current Liabilities</b>					
a. Financial Liabilities		1,788,938,951	178.89	1,788,938,951	178.89
b. Provisions	19	2,135,465	0.21	2,135,465	0.21
c. Deferred tax liabilities ( net)	20	6,237,584	0.62	6,237,584	0.62
d. Other non-current liabilities	20	1,188,332,893	118.83	1,188,332,893	118.83
		<b>2,985,644,893</b>	<b>298.56</b>	<b>2,985,644,893</b>	<b>298.56</b>
<b>3 Current Liabilities</b>					
a. Financial Liabilities					
i. Borrowings	21	11,668,485,773	1,166.85	11,669,100,886	1,166.91
ii. Trade Payables	22	2,059,491,613	205.95	2,099,585,893	209.96
iii. Other Financial Liabilities	23	2,494,747,334	249.47	2,494,747,334	249.47
b. Other Current Liabilities	24	747,250,632	74.73	746,606,577	74.66
c. Provisions	25	2,492,441	0.25	2,492,441	0.25
d. Current tax Liabilities	26				
		<b>16,972,467,792</b>	<b>1,697.25</b>	<b>17,012,533,131</b>	<b>1,701.25</b>
		<b>22,681,590,928</b>	<b>2,268.16</b>	<b>22,794,301,059</b>	<b>2,279.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>					
			0		0
Summary of significant accounting policies Previous years Figures Were regrouped for better presentation The accompanying notes are an integral part of the standalone financial statements					

For MARG Limited

G R K Reddy  
 Chairman and Managing Director  
 Place : Chennai  
 Date:24-03-2022


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## MARG LIMITED (Standalone)

## CASH FLOW STATEMENT

S No	Particulars	Nine Months Ended 31-Dec-21 (Rs in Crores)	Year Ended 31-Mar-21 (Rs in Crores)	Nine Months Ended 31-Dec-21 (Rs in Crores)	Year Ended 31-Mar-21 (Rs in Crores)
<b>A</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
	Net Profit (Loss) before Taxation and Extraordinary Items	-72,644,792	-31,098,207	(7.26)	(3.11)
	<b>Adjustment for:</b>				
	Depreciation	45,646,935	63,184,987	4.56	6.32
	Net Unrealised (Gain) Loss on Exchange Rate Difference	2,895,840	-	0.29	-
	Net Unrealised Loss (Profit) on Decline in Investments	-	-	-	-
	Write off of Capital WIP	-	-	-	-
	Remeasurement of the defined benefit plans Income	-2,550,887	-	(0.26)	-
	Profit on Sale of Assets	-	-	-	-
	Loss on Sale of Fixed Assets	-	-6,558,283	-	(0.66)
	Interest on Income tax refund	-	-	-	-
	Finance Cost (Net)	-	-	-	-
	<b>Operating Profit (Loss) before Working Capital Changes</b>	<b>-26,652,905</b>	<b>25,528,496</b>	<b>(2.67)</b>	<b>2.55</b>
	Decrease (Increase) in Inventories	-33,624,749	-10,007,061	(3.36)	(1.00)
	Decrease (Increase) in Trade Receivables	57,407,941	-18,488,713	5.74	(1.85)
	Decrease (Increase) in Loans ( Current Assets)	33,444,293	12,225,678	3.34	1.22
	Decrease (Increase) in Other Current Assets	-1,105,803	15,696,446	(0.11)	1.57
	Decrease (Increase) in Loans ( Non Current Assets)	-	-	-	-
	Decrease (Increase) in Other than Bank Balance	-	-	-	-
	Decrease (Increase) in Loans ( Non Current Assets)	-4,895,532	-8,408,413	(0.49)	(0.84)
	Decrease (Increase) in Others ( Non Current Assets)	-	-	-	-
	Increase (Decrease) in Trade Payables	-40,094,280	-62,542,031	(4.01)	(6.25)
	Increase (Decrease) in Other Current Liabilities	644,055	-42,256,024	0.06	(4.23)
	Increase (Decrease) in Borrowings and Other Financial liabilities	-615,113	26,596,868	(0.06)	2.66
	Increase (Decrease) in Other Non Current Liabilities	-	5,489,537	-	0.55
	Increase (Decrease) in Short-Term Provisions	-	-33,173	-	(0.00)
	Increase (Decrease) in Other Long-Term Liabilities	-	-	-	-
	Increase (Decrease) in Long-Term Provisions	-	-568,570	-	(0.06)
	<b>Cash Generated from Operations</b>	<b>-15,492,092</b>	<b>-56,766,959</b>	<b>(1.55)</b>	<b>(5.68)</b>
	Int on Income Tax	-	6,558,283	-	0.66
	<b>Cash Flow before Extraordinary Items</b>	<b>-15,492,092</b>	<b>-50,208,676</b>	<b>(1.55)</b>	<b>(5.02)</b>
	Adjustment for Extraordinary Items	-	-	-	-
	<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>-15,492,092</b>	<b>-50,208,676</b>	<b>(1.55)</b>	<b>(5.02)</b>
<b>B</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
	Purchase of Fixed Assets	-	-74,000	-	(0.01)
	Sale of Investments in Subsidiaries	-	-	-	-
	Sale of Fixed Assets (Net)	3,029,407	6,544,394	0.30	0.65
	<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>3,029,407</b>	<b>6,470,394</b>	<b>0.30</b>	<b>0.65</b>
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
	Proceeds from Long Term Borrowings (Net)	-	-	-	-
	Proceed from Short Term Borrowings (Net)	-	-	-	-
	Increase (Decrease) in Capital Reserve	-	-	-	-
	Finance Cost (Net)	-	-	-	-
	Dividend & Dividend Tax	-	-	-	-
	<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Net Increase in Cash and Cash Equivalents (A+B+C)	-12,462,685	-43,738,282	(1.25)	(4.37)
	Cash and Cash Equivalents at beginning of Year	112,761,174	156,499,456	11.28	15.65
	Cash and Cash Equivalents at end of Year	<b>100,298,489</b>	<b>112,761,174</b>	<b>10.03</b>	<b>11.28</b>
		0	0		

## Notes:

1 Cash Flow Statement is prepared under the Indirect Method in accordance with INDAS

For and on behalf of Board of Directors

As per our Report of even date attached

For A R KRISHNAN &amp; ASSOCIATES

Regn No: 009805S

Chartered Accountants

G R K REDDY  
Chairman & Managing DirectorG R K REDDY  
Chairman & Managing Director

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Date: 2022.03.24  
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A.SENTHIL KUMAR  
Partner  
Membership No: 214611

Place: Chennai  
Date: 24-03-2022

Marg Limited							
CIN : LA5201TN1994PLC029561							
Regd Add: Sri Sai Subhodhaya Apartments, Basement No:57/2B East Coast Road, Thiruvanniyur, Chennai, Tamil Nadu -600041 INDIA							
URL: www.marggroup.com							
Statement of Consolidated Audited Financial Results for the year ended December 31, 2021							
(INR in Crores)							
SI No	Particulars	Quarter ended				Nine Months ended	
		Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
I.	<b>INCOME</b>						
	Revenue from Operations	1.12	1.12	1.13	1.19	3.37	3.45
	Other Income	1.45	0.86	0.61	2.01	2.92	3.89
	<b>Total Income</b>	<b>2.57</b>	<b>1.98</b>	<b>1.74</b>	<b>3.20</b>	<b>6.29</b>	<b>7.34</b>
II.	<b>EXPENSES</b>						
	Cost of Projects / Operating Expenses	0.11	0.21	0.58	0.05	0.89	0.17
	Changes in Inventory	-	-	-	-	0.00	0.00
	Finance Costs	0.34	0.35	0.36	0.32	1.05	0.95
	Employee Benefit Expenses	0.69	0.89	0.94	0.75	2.52	2.23
	Depreciation and Amortization Expense	4.09	4.17	4.18	4.37	12.44	13.08
	Other Expenses	1.71	1.51	2.34	1.98	5.56	4.33
	<b>Total Expenses</b>	<b>6.94</b>	<b>7.13</b>	<b>8.39</b>	<b>7.46</b>	<b>22.46</b>	<b>20.76</b>
III.	<b>Profit before Exceptional Items and tax (I+II)</b>	<b>(4.38)</b>	<b>(5.14)</b>	<b>(6.65)</b>	<b>(4.26)</b>	<b>(16.17)</b>	<b>(13.42)</b>
IV.	Exceptional Items	-	-	-	0.00	0.00	0.00
V.	<b>Profit(Loss) before tax (III+IV)</b>	<b>(4.38)</b>	<b>(5.14)</b>	<b>(6.65)</b>	<b>(4.26)</b>	<b>(16.17)</b>	<b>(13.42)</b>
VI.	<b>Tax Expense</b>						
	Current Tax	-	-	-	0.00	0.00	0.00
	Deferred Tax	-	0.11	(0.07)	(0.06)	0.04	(0.10)
VII.	<b>Profit( Loss) for the period (V+VI)</b>	<b>(4.38)</b>	<b>(5.25)</b>	<b>(6.58)</b>	<b>(4.21)</b>	<b>(16.21)</b>	<b>(13.32)</b>
VIII.	<b>Other Comprehensive Income</b>						
A.	Items that will not be reclassified to Profit or Loss	-	-	-	0.00	0.00	0.00
	Foreign currency translation reserve	0.19	-1.06	(0.94)	3.91	(1.81)	10.22
IX.	<b>Total Comprehensive Income for the period</b>	<b>(4.19)</b>	<b>(6.31)</b>	<b>(7.53)</b>	<b>(0.30)</b>	<b>(18.02)</b>	<b>(3.10)</b>
	<b>Earnings per Equity Share</b>						
	Basic	(0.82)	(1.24)	(1.48)	(0.06)	(3.55)	(0.61)
	Diluted	(0.82)	(1.24)	(1.48)	(0.06)	(3.55)	(0.61)

#### Notes

- The Statutory auditors of the company have reviewed the above financial results of the company for the quarter ended 31st December 2021 in compliance with Regulation 33 of SEBI (LODR) Refulations 2015 and have expressed on modified opinion on the same.
- The Consolidated financial results for the quarter and year ended December 31, 2021 indicate that the Group has negative net worth as at 31.12.2021. Further, the Company/ the group has incurred net cash losses for the year ended March 31, 2021 and in the immediate preceding financial year and the net working capital of the Company/ Group continues to be negative. The revenue of the Company I Group has declined sequentially resulting in negative EBITDA for the quarter ended December 31, 2021. Further, the Company and few of its subsidiaries have continuously defaulted in repayment of borrowings including interest from Banks and financial institutions. The Company/ the Group has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company/ the Group to generate additional cash flows to fund the operations as well as other statutory obligations. These indicate the existence of a material uncertainty that may cast significant doubt on the Company's/ the Group's ability to continue as going concern.
- Tata Capital limited, Financial Creditor, file a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the subsidiary company. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March,2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional vide order dated 20/03/2018. The Corporate Resolution process commenced from 20th March, 2018. Mr S Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice was given on 23/03/2018. Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP. The Committee of Creditors (COC) has been Constituted u/s 21 of IBC 2016 and first meeting of the COC is scheduled and held on 24th April, 2018. NCLT Chennai bench in its order dated 05.12.2018 ordering liquidation of Arohi Infrastructure Private Limited.
- Marg Trading Pte Ltd, the foreign subsidiary of Marg Limited has been deregistered by the Accounting and Corporate Regulatory Authority (ACRA) on account of non-compliance of filing annual returns with ACRA. However, we are working on to regularise it. Marg International Dredging PTE Ltd, the foreign subsidiary of Marg Limited the Financial results includes Turnover of Rs. Nil, Net Loss of Rs. Nil for the three months ended 31st December, 2021 in respect of this company.
- The outbreak of COVID-19 pandemic and the resulting lockdown across the world has affected the Company's operations for the quarter ended December 31, 2021. Accordingly, the Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The Company has estimated its liabilities in line with the current situation. The Company has considered internal and external information upto the date of approval of these financial results. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions. The impact on our future business would depend on future developments that cannot be reliably predicted at this stage.
- Previous period figures have been regrouped/reclassified, wherever necessary to conform to current period's classification.

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Marg Limited  
CIN : L45201TN1994PLC029561

Regd Add: Sri Sai Subhodhaya Apartments, Basement No:57/2B East Coast Road, Thiruvanniyur, Chennai, Tamil Nadu -600041 INDIA  
URL: www.marggroup.com

Balance Sheet (Consolidated)

SI No	Particulars	Note No.	INR in Crs	INR in Crs	in INR	in INR
			As at December 31, 2021	As at March 31, 2021	As at December 31, 2021	As at March 31, 2021
<b>I ASSETS</b>						
<b>Non-Current Assets</b>						
a)	Property, Plant and Equipment	3	130.42	138.95	1,304,177,995	1,389,449,584
b)	Capital Work In Progress		778.02	777.81	7,780,221,314	7,778,086,451
c)	Other Intangible Assets	4	0.16	0.17	1,558,179	1,717,694
d)	Investment Property	5	330.36	333.20	3,303,628,444	3,332,016,443
e)	Financial Assets		-	-	-	-
(i)	Investments	6	300.86	300.86	3,008,586,365	3,008,586,365
(ii)	Loans	7	0.23	0.31	2,330,388	3,106,438
(iii)	Other financial assets	8	0.12	0.14	1,182,267	1,377,510
f)	Other non-current assets	9	90.94	90.75	909,363,939	907,539,029
			<b>1,631.11</b>	<b>1,642.18</b>	<b>16,311,048,892</b>	<b>16,421,879,515</b>
	<b>Goodwill</b>		16.54	16.54	165,389,794	165,389,794
<b>Current assets</b>						
a)	Inventories	10	833.15	829.78	8,331,458,954	8,297,834,205
b)	Financial Assets		-	-	-	-
(i)	Trade Receivables	11	398.55	402.95	3,985,479,603	4,029,465,497
(ii)	Cash and Cash Equivalents	12	24.91	25.60	249,147,499	256,037,126
(iii)	Other than those shown in (ii)	13	-	-	-	-
(iv)	Loans	14	68.00	68.12	680,035,597	681,182,332
(v)	Others		-	-	-	-
c)	Other Current Assets	15	406.40	405.36	4,064,003,786	4,053,602,682
			<b>1,731.01</b>	<b>1,731.81</b>	<b>17,310,125,438</b>	<b>17,318,121,841</b>
	<b>TOTAL ASSETS</b>		<b>3,378.66</b>	<b>3,390.54</b>	<b>33,786,564,124</b>	<b>33,905,391,149</b>
<b>II EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
a)	Equity Share Capital		50.82	50.82	508,184,590	508,184,590
b)	Other Equity		-545.66	-528.58	-5,456,589,803	-5,285,821,265
			<b>-494.84</b>	<b>-477.76</b>	<b>-4,948,405,213</b>	<b>-4,777,636,675</b>
	<b>Non Controlling Interest</b>		41.63	42.57	416,307,410	425,747,575
<b>Non-current Liabilities</b>						
a)	Financial Liabilities		-	-	-	-
(i)	Borrowings	16	-	-	-	-
(ii)	Other Financial Liabilities	17	36.61	35.87	366,086,098	358,710,062
b)	Provisions	18	0.48	0.48	4,776,932	4,776,932
c)	Deferred tax liabilities (net)	19	18.08	18.08	180,751,408	180,751,408
d)	Other non-current liabilities	20	297.94	297.94	2,979,447,224	2,979,447,224
			<b>353.11</b>	<b>352.37</b>	<b>3,531,061,662</b>	<b>3,523,685,626</b>
<b>3 Current Liabilities</b>						
a)	Financial Liabilities		-	-	-	-
(i)	Borrowings	21	1,232.71	1,228.77	12,327,143,904	12,287,742,945
(ii)	Trade Payables	22	331.91	335.35	3,319,061,911	3,353,533,590
(iii)	Other Financial Liabilities	23	1,690.34	1,689.82	16,903,409,614	16,898,234,047
b)	Other Current Liabilities	24	223.18	218.82	2,231,771,677	2,188,213,876
c)	Provisions	25	0.62	0.59	6,213,159	5,870,166
			<b>3,478.76</b>	<b>3,473.36</b>	<b>34,787,600,265</b>	<b>34,733,594,624</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,378.66</b>	<b>3,390.54</b>	<b>33,786,564,124</b>	<b>33,905,391,149</b>
			-0.00	0.00	0	-0

For MARG Limited

G R K Reddy  
Chairman and Managing Director  
Place : Chennai  
Date : 24-March-2022

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# MARG LIMITED (Consolidated)

## CASH FLOW STATEMENT

S No	Particulars	Quarter Ended 31-Dec-2021 (Rs in Crores)	Year Ended 31-Mar-2021 (Rs in Crores)
<b>A CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
	Net Profit (Loss) before Taxation and Extraordinary Item	(18.02)	(4.30)
	<b>Adjustment for:</b>		
	Depreciation	12.44	17.09
	Net Unrealised (Gain) Loss on Exchange Rate Fluctuations	-	-
	Profit on Sale of Assets	(0.26)	-
	Transfer to Minority Interest	(0.94)	(0.98)
	Capital WIP Impairment	-	-
	Loss on Sale of Assets	-	0.05
	Finance Cost (Net)	1.04	1.26
	<b>Operating Profit before Working Capital Changes</b>	<b>(5.74)</b>	<b>13.12</b>
	Decrease (Increase) in Inventories	(3.36)	18.70
	Decrease (Increase) in Trade Receivables	4.40	23.43
	Decrease (Increase) in Other Non-current Assets	(0.19)	(0.04)
	Decrease (Increase) in Investments	-	0.00
	Decrease (Increase) in Other Assets		
	Decrease (Increase) in Short-term Loans & Advances	(0.93)	(0.64)
	Decrease (Increase) in Long-term Loans and Other Current Assets	0.10	(0.07)
	Decrease (Increase) in Other Current Assets		
	Increase (Decrease) in Other Equities and OCI		
	Increase (Decrease) in Trade Payables	(3.45)	18.64
	Increase (Decrease) in Other Liabilities and borrowings	8.81	(45.00)
	Increase (Decrease) in Provisions	0.03	0.07
	Increase (Decrease) in Other Long-term Liabilities	0.74	0.47
	Increase (Decrease) in Long-term Provisions		
	<b>Cash Generated from Operations</b>	<b>0.41</b>	<b>28.68</b>
	Income Tax	-	-
	<b>Cash Flow before Extraordinary items</b>	<b>0.41</b>	<b>28.68</b>
	Adjustment for Extraordinary Items		
	<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>0.41</b>	<b>28.68</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
	Purchase of Fixed Assets	(0.06)	(24.94)
	Sale of Investments in Subsidiaries and Others		
	Proceeds from Sale of Fixed Assets (Net)		
	<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(0.06)</b>	<b>(24.94)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
	Proceeds from Issue of Shares		
	Increase in Capital Reserve		
	Proceeds from Long Term Borrowings (Net)		
	Proceeds from Short Term Borrowings (Net)		
	Finance Cost Paid (Net)	(1.04)	(1.26)
	Dividend & Dividend Tax Paid		
	<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(1.04)</b>	<b>(1.26)</b>
	<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(0.69)</b>	<b>2.49</b>
	Cash and Cash Equivalents at beginning of Year	25.60	23.11
	<b>Cash and Cash Equivalents at end of Year</b>	<b>24.91</b>	<b>25.60</b>

**Note:**

- 1 Cash Flow Statement is prepared under the Indirect Method.
- 2 Depreciation includes amount transferred to 'Cost of Projects'.
- 3 Cash and cash equivalents not available for immediate use as on the Balance Sheet date are shown in Note 12 of Notes to the Financial Statements.

As per our Report of even date attached  
**For A R KRISHNAN & ASSOCIATES**  
 Regn No: 0098055  
 Chartered Accountants

**A.SENTHIL KUMAR**  
 Partner  
 Membership No: 214611  
 Place : Chennai  
 Date : 24-March-2022

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**Independent Auditor's Review Report on the Unaudited Quarter and Nine months Ended Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors  
Marg Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **Marg Limited** for the quarter and nine months ended 31st December, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (listing Obligation and Disclosure Requirements) Regulation 2015 ("Listing Regulation'), as amended.

This statement, is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards 34, Interim Financial Reporting (IND AS 34) prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

1. Attention is invited to Note 1, Phoenix ARC Private Limited, Financial Creditor, filed a petition u/s 7 of the Insolvency and Bankruptcy Code, 2016 against one of its subsidiary company M/s. New Chennai Township Private Limited (Corporate Debtor) with National Company Law Tribunal (NCLT). The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/636/IB/CB/2017 dated 5th July, 2019. The NCLT has appointed Mr. L K Sivaramakrishnan as Interim Resolution Professional (IRP) vide order dated 5th July, 2019. Mr. L K Sivaramakrishnan has assumed the status of Interim Resolution Professional (IRP) and issued a public notice on 8th July, 2019. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. The Resolutions Professional had formed

# A.R. KRISHNAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Committee of Creditors (COC). The COC discussed the need for extension of Corporate Insolvency Resolution Process in the 06th COC meeting. After a detailed deliberation, the COC informed that since there were no viable Resolution Plan and put of the resolution for voting to file an application under Section 33(1)(a) read with Section 33(2) to initiate liquidation proceeding against the Corporate Debtor under Insolvency and Bankruptcy Code 2016. The Resolution professional has filed an application with NCLT for passing an order of liquidation in the light of the final decision taken by COC of the Corporate Debtor. During 15<sup>th</sup> COC meeting held on 14<sup>th</sup> March 2022, COC members have discussed about Revised Section 12A Proposal received and COC has requested the promoter of the Corporate Debtor to mention only amount that is being shared to SREI out of this proposal and all others shall be out of this Section 12A Proposal. The Promoter informed that he will restate the settlement amount in his revised proposal. We are unable to comment on the impact if any, on the investments in Equity Shares of Rs.120 Crores and Advances Rs.355.43 Crores pertaining to this subsidiary as on 31st December 2021. The Company has not made any impairment provision in the value of investments and no loss allowance on loans and advances and accrued interest.

2. Attention is invited to Note 9 the company has not provided for interest for the Quarter and nine months ended 31st December, 2021 on certain borrowings from Banks and Financial institutions and also on loans that are assigned to Asset Reconstruction Companies (ARCs), which in our opinion, the Company has not followed accrual system of accounting and Disclosure of accounting policy is not in accordance with Ind AS 1-Presentation of Financial Statement to this extent. We are unable to comment upon the settlement of finance cost on the aforesaid loans and carrying value of the aforesaid loans and the consequential impact, if any that may arise on the above said matters.
3. Attention is invited to Note 10 & 11; the company has not charged interest for the Quarter and nine months ended 31st December, 2021 on loans that are given to Subsidiaries, which in our opinion, the Company has not followed accrual basis of accounting and Disclosure of accounting policy is not in accordance with Ind AS 1-Presentation of Financial Statement to this extent.
4. Attention to Note 7, to the standalone financial results, regarding the Company's non-current investment (including deemed investment) in subsidiaries / step down subsidiaries (unquoted Equity Shares) and other companies aggregating Rs.566.93 Crore for the Quarter and nine months ended 31st December, 2021. The Company has not carried out fair valuation of this investment as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation of unquoted Equity Shares in Subsidiaries, we are unable to comment on the impact if any, on this investment for the Quarter and nine months ended 31st December, 2021.



# A.R. KRISHNAN & ASSOCIATES

CHARTERED ACCOUNTANTS

5. The Company has investment in Karaikal Port Private Limited (unquoted equity shares) with a carrying value at cost of Rs.249.79 Crores. The Company has not done fair valuation of this investment as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the impact if any, on this investment as at 31st December, 2021.
6. The Company has not provided for Rs.9.71 Crores relating to work in progress for EPC work done which remain unbilled as on 31st December, 2021 and Management fee of Rs.12.22 Crores not acknowledged by one of its erstwhile subsidiary, Karaikal Port Private Limited. Consequently, the loss for the Quarter and nine months ended 31st December, 2021 are understated by Rs.21.93 Crores. Accumulated Reserves and Current assets for the quarter and nine months ended 31st December, 2021 are overstated by the same amount.

## Emphasis of Matters

1. We draw attention to uncertainties relating to recoverability of trade receivables overdue for more than one year amounting to Rs.69.66 Crores which according to the management is fully recoverable. Further the recoverability of trade receivables which are under arbitration amounting to Rs.27.92 Crores which according to the Management will be awarded fully in Company's favour on the basis of the contractual tenability, progress of arbitration and legal advice.
2. Attention is invited to Note. 2, Tata Capital Financial Services limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against one of the Subsidiary Company M/s. Arohi Infrastructure Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March,2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional (IRP) vide order dated 20/03/2018. Mr S. Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice on 23/03/2018. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. Further the resolution plan could not be submitted within the prescribed time allowed. NCLT had passed an order on 05th December 2018 to liquidate Arohi Infrastructure Private Limited and appointed Mr S.Rajendran as Liquidator. In view of the order of the NCLT the company should have made the provision of Rs. 0.10 Crores as diminution in value of the investment in equity of Arohi Infrastructure Private Limited and Loans and Advances of Rs. 10.90Crores. However, the company has not made impairment provisions in the books for the amount of said investment and no loss allowance on loans and advances and accrued Interest total aggregating to Rs. 10.90 Crores. Had these provisions been made the Loss would have been increased to that extent.



# A.R. KRISHNAN & ASSOCIATES

CHARTERED ACCOUNTANTS

The Promoter has identified an Investor and submitted a settlement proposal. The identified investor has made an upfront payment of Rs.1.80 Crores to show its bona-fide interest in the settlement proposal. Joint Memo has been filed on 22<sup>nd</sup> June 2021 by the Financial Creditor and Promoter for an adjournment. In the absence of information, we are unable to comment on the impact if any, on this investment, Advances given to this subsidiary.

3. The company has signed settlement plan with Edelweiss Asset Reconstruction Company Ltd (EARC) (Acting as Trustee of EARC Trust) for various group of loans assigned to the above said ARC for repayment of principal dues of Rs.540 Crores as Sustainable Debt over a period of 3 years from the date of signing this settlement letter by disposing of various assets. Out of Unsustainable portion of Rs.423.74 Crores, Rs.100/- Crores shall be converted to 24.99% of Equity shares of the Company. Remaining Unsustainable portion shall be written-off over the period in the same proportion of payment of Sustainable Debt. Marg Ltd has allotted Equity shares 1,26,99,533 nos. equivalent to Rs.78.33 Crores to various Edelweiss Trust on 28th September, 2018 based as a part of condition precedent of settlement plan signed with Edelweiss Asset Reconstruction Company Ltd (EARC). Edelweiss Asset Reconstruction Company Ltd had subsequently withdrawn the settlement plan executed with Marg Ltd on account of non-fulfilment of conditions precedent to the settlement plan. The Company has yet to execute Master Restructuring Agreement with Edelweiss Asset Reconstruction Company. However, the Company has submitted 12A proposal during CIRP and 95.96% of COC members have accepted the proposal for settlement of Rs.550/- Crores.
4. We draw attention to Note no.12 that there can be uncertainty on the Company's ability to meet its debt obligations. The ability of the Company to continue as a going concern is dependent upon the Company's ability to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations.
5. The company didn't obtain/receive balance confirmation from Banks/ARC's, most of the customers/creditors and other parties for the balances as on 31st December, 2021 and we are unable to comment on adjustments /reconciliation, or disclosures, if any, that may arise.
6. We draw attention to Note no.11, The company has invested in equity amounting to Rs 54.05 Crores (PY Rs 54.05 Crores) in Marg Properties Limited, wholly owned subsidiary of the company for the quarter and nine months ended 31st December, 2021. The Company has advanced an amount of Rs 45.52 Crores (PY Rs 49.25 Crores) as loan to the subsidiary and Rs 22.18 Crores (PY Rs 16.38 Crores) is carried forward as receivables quarter and nine months ended 31st December, 2021. The subsidiary Company has negative net-worth as quarter and nine months ended 31st December, 2021. The loans of the company have been assigned to ARCs and the Management is confident that the Company will be able to generate cash from ongoing projects



**A.R. KRISHNAN & ASSOCIATES**  
CHARTERED ACCOUNTANTS

in future years and meet its financial obligation as they arise. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and no provision is made in respect of investments, loans and receivables outstanding from the said subsidiary company for the quarter and nine months ended 31st December, 2021.

Based on our review conducted as above, except for the effects/possible effects of our observation stated in paragraph 1-6, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Other Matters:**

Attention is also drawn that the standalone Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2021 have been audited by us vide report dated 29<sup>th</sup> June, 2021 and expressed a qualified opinion on those standalone financial statements.

For A.R.Krishnan & Associates  
Chartered Accountants  
Firm Regn.No.009805S



*A. Senthil Kumar*

(A.Senthil Kumar)  
Partner

Membership No.: 214611

UDIN: 22214611AF0BCY7731

Place: Chennai  
Date: 24-03-2022

**Independent Auditor's Limited Review Report on the unaudited Quarterly and Nine months ended Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**The Board of Directors  
Marg Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of MARG Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and nine months ended 31st December 2021 attached herewith being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")
2. This Statement, which is the responsibility of the parent's Management and approved by the parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMDL/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as referred to in Annexure 1.
5. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:



# A.R. KRISHNAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

- 32 Subsidiaries, whose unaudited interim financial results and other financial information reflect a total revenue of Rs.1.74 Crores and Rs.5.39 Crores Which includes Other Income of Rs.0.62 Crores and Rs.2.02 Crores and a Net loss of Rs.3.13 Crores and Rs.8.94 Crores for the quarter and nine months ended 31st December 2021 respectively, as considered in the statement which have been reviewed by their respective independent auditors.

### Basis for Qualified Opinion:

6. The Limited Review Report of Marg Limited (holding company) and its subsidiaries, has been qualified by us as follows;
  - a) The Company has investment in Karaikal Port Private Limited (unquoted equity shares) with a carrying value at cost of Rs.249.79 Crores. The Company has not done fair valuation of this investment as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the impact if any, on this investment for the quarter and nine months ended 31st December 2021.
  - b) The Company has not provided for Rs.9.71 Crores relating to work in progress for EPC work done which remain unbilled as on December 31, 2021 and Management fee of Rs.12.22 Crores not acknowledged by one of its erstwhile subsidiary, Karaikal Port Private Limited. Consequently, the loss for the Quarter and nine months ended 31<sup>st</sup> December 2021 are understated by Rs.21.93 Crores. Accumulated Reserves and Current assets for the quarter and nine months ended 31<sup>st</sup> December 2021 are overstated by the same amount.
  - c) The company has considered M/s Future Parking Private Limited as its subsidiary and accordingly made disclosures in the Ind AS financial statements for the quarter and nine months ended 31<sup>st</sup> December, 2021. Due to change in control and management of M/s Future Parking Private Limited the said company ceased to be a subsidiary of the company as per Ind AS 110 regardless of shareholding of 51%, further as per the financial results of M/s Future Parking Private Limited, it has not recognized Marg Limited as its Holding Company for the quarter and nine months ended 31st December 2021. The interim financial results and other financial information reflects Revenue from Operations of Rs. 0.86 Crores and Rs.2.59 Crores, Other Income of Rs.0.29 Crores and Rs. 0.86 Crores and Net Loss of Rs.0.68 Crores and Rs.1.89 Crores for the quarter and nine months ended 31<sup>st</sup> December, 2021 respectively. The interim financial statement/ financial information/ financial result of this subsidiary have been reviewed by other auditor whose report has not been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the Information provided by the management.
  - d) The company did not obtain/ receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties including loans and advances other than related parties for the balances as on 31<sup>st</sup> December, 2021. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on





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adjustments or disclosures, if any, that may arise.

- e) The Holding and Subsidiary Companies did not obtain / receive statements, balance confirmation for most of current and other accounts maintained with various banks. The Subsidiary companies bank the accounts were attached by Income Tax Investigation Wing during search conducted at the various premises/sites of the Holding company during the financial year 2017-2018. The Holding and Subsidiary companies have taken steps to lift the bank attachment.
- f) The Limited Review report of subsidiary companies Marg Properties Limited, Riverside Infrastructure (India) Private Limited, Sarang Infradevelopers Private Limited, Magnumopus Infradevelopers Private Limited is qualified by us. These companies didn't obtain/ receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties for the balances as on 31<sup>st</sup> December, 2021.

### Emphasis of Matter:

Without qualifying our opinion, we drew attention to the following notes to statement:

1. We draw your attention to Note 2 to the Statement, which indicates that the Group has negative net worth as at December 31<sup>st</sup>, 2021. Further, it has incurred net cash losses for the quarter and nine months ended 31<sup>st</sup> December 2021 and in the immediately preceding financial year and the net working capital of the Group continues to be negative. The revenue of the Group has declined sequentially resulting in negative EBITDA for the quarter and nine months ended 31<sup>st</sup> December 2021. Further, the Company and few of its subsidiaries have continuously defaulted in repayment of borrowings including interest from Banks and financial institutions. The Group has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Group to generate additional cash flows to fund the operations as well as other statutory obligations. These indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.
2. Phoenix ARC Private Limited, Financial Creditor, filed a petition u/s 7 of the Insolvency and Bankruptcy Code, 2016 against one of the subsidiary company M/s. New Chennai Township Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/636/IB/CB/2017 dated 5th July, 2019. The NCLT has appointed Mr. L K Sivaramakrishnan as Interim Resolution Professional (IRP) vide order dated 5th July, 2019. Mr. L K Sivaramakrishnan has assumed the status of Interim Resolution Professional (IRP) and issued a public notice on 8th July, 2019. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. After a detailed deliberation, the COC informed that since there were no viable Resolution Plan and put of the resolution for voting to file an application under Section 33(1)(a) read with Section 33(2) to initiate liquidation proceeding against the Corporate Debtor under Insolvency and Bankruptcy Code 2016. The Resolution professional has filed an application with NCLT for passing an order of liquidation in the light of the final decision taken by COC of the Corporate Debtor. During 15<sup>th</sup>



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COC meeting held on 14<sup>th</sup> March 2022, COC members have discussed about Revised Section 12A Proposal received and COC has requested the promoter of the Corporate Debtor to mention only amount that is being shared to SREI out of this proposal and all others shall be out of this Section 12A Proposal. The Promoter informed that he will restate the settlement amount in his revised proposal, we are unable to comment on the impact if any, on the investments in, advances given to this subsidiary. The Consolidated Financial Statements include Turnover of Rs.0.26 Crores and Rs.0.78 Crores, Other Income of Rs.0.23 Crores and Rs.0.72 Crores and Net Loss of Rs.0.90 Crores and Rs.2.46 Crores for the Quarter and nine months ended 31st December 2021 respectively. These financial results are not reviewed by a Chartered Accountant and have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such management certified financial statements / financial information /financial results and consequently, we are unable to comment on adjustments that may have been required to the consolidated unaudited financial statements, had such financial statements/financial information/financial results been reviewed.

3. We draw your attention to Note no. 3, Tata Capital Financial Services limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against one of the Subsidiary Company M/s. Arohi Infrastructure Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March,2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional (IRP) vide order dated 20/03/2018. Mr S. Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice on 23/03/2018. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. Further the resolution plan could not be submitted within the prescribed time allowed. NCLT has passed on order on 05<sup>th</sup> December 2018 to liquidate Arohi Infrastructure Private Limited and appointed Mr S. Rajendran as Liquidator. The Promoter has identified an Investor and submitted a settlement proposal. The identified investor has a made an upfront payment of Rs.1.80 Crores to show its bona-fide interest in the settlement proposal. Joint Memo has been filed on 22<sup>nd</sup> June 2021 by the Financial Creditor and Promoter for an adjournment. In the absence of information, we are unable to comment on the impact if any, on the investments in, advances given to this subsidiary. The interim financial results and other financial information reflects total revenue of Nil, Net Profit after tax of Nil for the Quarter and nine months ended ended 31<sup>st</sup> December 2021 respectively. These financial results are unreviewed and have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such management certified financial statements / financial information /financial results and consequently, we are unable to comment on adjustments that may have been required to the consolidated unaudited financial statements, had such financial statements/financial information/financial results been reviewed.
4. We draw your attention to Note 4, Marg Trading & Pte Ltd, the foreign subsidiary of Marg Limited has been deregistered by the Accounting and Corporate Regulatory Authority (ACRA)



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on account of non-compliance of filing annual returns with ACRA. The interim financial results and other financial information reflects total revenue of Nil, Net Profit after tax of Nil for the Quarter and nine months ended 31st December 2021. The Marg International Dredging Pte Ltd, foreign subsidiary of Marg Limited the statements includes Turnover of Rs. Nil and Net Loss of Rs. 1.17 Crores and Rs.3.48 Crores quarter and nine months ended 31st December 2021 respectively. The Foreign Subsidiary Company has defaulted in repayment of loans. We are unable to comment upon the impact if any, on the investments in, advances given to these subsidiaries. These financial results are unreviewed and have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, is based solely on such management certified financial statements / financial information /financial results and consequently, we are unable to comment on adjustments that may have been required to the consolidated unaudited financial statements, had such financial statements/financial information/financial results been reviewed.

5. We did not review the interim financial statement / financial information / financial result of Logical Logistics Private Limited, subsidiary company included in the consolidated unaudited financial results, whose financial statements reflect total revenues of Nil, Net Loss of Nil for the quarter and nine months ended 31st December 2021. The interim financial statement/ financial information / financial result of this subsidiary have been reviewed by other auditor whose report has not been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the information provided by the Management.
6. The company has signed settlement plan with Edelweiss Asset Reconstruction Company Ltd (ARC) (Acting as Trustee of EARC Trust) for various group of loans assigned to the above said ARC for repayment of principal dues of Rs.540 Crores as Sustainable Debt over a period of 3 years from the date of signing this settlement letter by disposing of various assets. Out of Unsustainable portion of Rs.423.74 Crores, Rs.100/- Crores shall be converted to 24.99% of Equity shares of the Company. Remaining Unsustainable portion shall be written-off over the period in the same proportion of payment of Sustainable Debt. Marg Ltd has allotted Equity shares 1,26,99,533 nos. equivalent to Rs. 78.33 Crores to various Edelweiss Trusts on 28th September, 2018 based as a part of condition precedent of settlement plan signed with Edelweiss Asset Reconstruction Company Ltd (EARC). Edelweiss Asset Reconstruction Company Ltd had subsequently withdrawn the settlement plan executed with Marg Ltd on account of non-fulfillment of conditions precedent to the settlement plan. The Holding Company has yet to execute Master Reconstructing Agreement with Edelweiss Asset Reconstruction Company. However, the Company has submitted 12A proposal during CIRP and 95.96% of COC members have accepted the proposal for settlement of Rs.550/- Crores.
7. We draw attention: Some of the customers of the Marg Properties Limited, subsidiary of Marg Ltd had filed case against the subsidiary company with Tamilnadu Real Estate Regulation Authority (TNRERA) for refund of money paid along with interest and incidental expenses and TNRERA has ordered in favour of Customers to refund advance money received along with



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Interest and incidental expenses. But the subsidiary company has not made provision for the said claims. The impact on non-provision of such interest on the financial statements/ results cannot be quantified due to lack of the required information. However, the Company is in the process of filing an appeal against the said orders.

8. Based on our review conducted as stated above, except for the effects/possible effects of our observation stated in paragraph 6 above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### Other Matters:

Attention is also drawn that the Consolidated Financial Statement of the Group for the year ended 31<sup>st</sup> March, 2021 have been audited by us vide report dated 29<sup>th</sup> June, 2021 and expressed a qualified opinion on those Consolidated Financial Statements.

For A.R.Krishnan & Associates  
Chartered Accountants  
Firm Regn.No.009805S



*A. Senthil Kumar*

(A.Senthil Kumar)  
Partner

Membership No.: 214611

UDIN: 22214611AFOCBO5242

Place: Chennai

Date: 24-03-2022

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**Annexure 1**

Sl.no	Name of the Entity
<b>Subsidiaries</b>	
1	Amir Constructions Private Limited
2	Anumanthai Beachside Resorts Private Limited
3	Anuttam Academic Institutions* (Formerly known as " Anuttam construction private Limited")
4	Arohi Infrastructure Private Limited
5	Atul Institutions of Learning * (Formerly Known as "Atul Infrastructure Private Limited")
6	Avatar Constructions Private Limited
7	Bharani infrastructure Private Limited
8	Darpan Educational Institutions* ( Formerly Known as "Darpan Houses Private Limited")
9	Dasha Infradevelopers Private Limited
10	Future Parking Private limited
11	Hilary Constructions Private Limited
12	Karaikal Power Company Private Limited
13	Kirtidhara Academic Institutions* ( Formerly known as " Kirtidhara Infrastructure Private Limited")
14	Marg Aviations Private Limited
15	MARG Industrial Clusters Limited
16	MARG Infrastructure Developers Limited
17	Marg International Dredging PTE Ltd#
18	Marg Trading PTE Ltd#
19	Logical Logisics Private Limited
20	MARG Marine Infrastructure Limited
21	MARG Properties Limited
22	Marg Swarnabhoomi Port Private Limited
23	Mukta Academic Institutions Private Limited (Fomerly Known as " Mukta Infrastructure Private Limited")
24	Navrang Infrastructure Private Limited
25	New Chennai Township Private Limited
26	Parivar Apartments Private Limited
27	Riverside Infrastructure (India) Private Limited
28	Shubham Vihar Private Limited
29	Signa Infrastructure India Limited
30	Swatantra Infrastructure Private Limited
31	Wisdom Constructions Private Limited
32	Yuva Constructions Private Limited



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Step Down Subsidiaries	
Sl.no	Name of the Entity
1	Advance Infradevelopers Private Limited
2	Agni Infradevelopers Private Limited
3	Akhil Infrastructure Private Limited
4	Ambar Nivas Private Limited
5	Aprati Constructions Private Limited
6	Archana Infradevelopers Private Limited
7	Aroopa Infradevelopers Private Limited
8	Ashram Infradevelopers Private Limited
9	Comex Infrastructure Private Limited
10	Darshan Homes Private Limited
11	Guiding Infradevelopers Private Limited
12	Kanchanajunga Infradevelopers Private Limited
13	Magnumopus Infrastructure Private Limited
14	Marg Business Park Private Limited
15	MARG Hotels and Service Apartments Private Limited
16	Navita Estates Private Limited
17	O M R Developers Private Limited
18	Rainbow Habitat Private Limited
19	Saptajit Projects Private Limited
20	Sarang Infradevelopers Private Limited
21	Shikha Infrastructure Private Limited
22	Sulekh Constructions Private Limited
23	Talin Infradevelopers Private Limited
24	Uttarak Infradevelopers Private Limited
25	Vyan Infraprojects Private Limited

\*Section 8 subsidiary companies

# Foreign Subsidiaries

