

*Hoisting the Flag
of Prosperity*



27TH ANNUAL REPORT

2021-2022



Contents

Corporate Information

Directors' Report	1
Management Discussion and Analysis Report	44
Corporate Governance Report	47
Certificate on Corporate Governance	64
Auditors' Report	66
Balance Sheet	81
Statement of Profit & Loss Account	82
Cash Flow Statement	83
Notes to the Financial Statements	84
Auditors' Report on Consolidated Statements	123
Consolidated Balance Sheet	136
Consolidated Statement of Profit & Loss Account	137
Consolidated Cash Flow Statement	138
Notes to the Consolidated Financial Statements	139

Corporate Information

Chairman & Managing Director

Mr. G R K Reddy

Directors

Mrs. E Usha

Mr. R Dinesh

Mrs. P Savitha

Mrs. V Revathi

Mrs. K Karpagambal

Company Secretary

Mr. Suresh Kumar

Cheif Financial Officer

Mr. R B Srinivasan

Auditors

M/s. A R Krishnan & Associates,

Chartered Accountants,

SF-2, Lokesh Towers, No. 37, Old No. 18

Kodambakkam High Road, Nungambakkam

Chennai – 600 034

Registered Office

Sri sai subhodhaya Apartments, Basement No.57/2B,

East Coast Road, Thiruvannamiyur, Chennai – 600 041

Website

www.marggroup.com

Stock Exchange

Where the Company's shares are listed:

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai 400 001

Registrar & Share Transfer Agent

M/s. Cameo Corporate Services Limited

Subramanian Building, No.1 Club House Road,

Chennai – 600 002





DIVINE LIVING



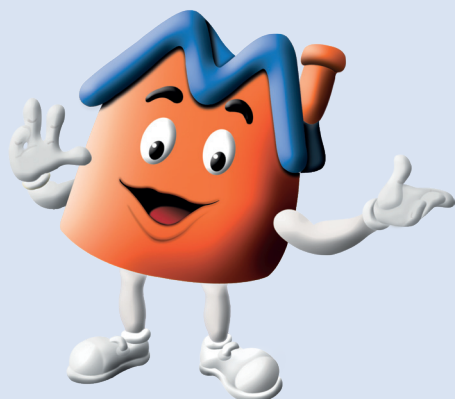
Vishwashakthi
Tirupathi's first integrated township

THE JOY OF OWNING A SCENIC LAKE VIEW HOME




pushkara
Lake View Homes

Lake View
Home
@ OMR, Kazhipattur



Meet Mr. Joy

the MARG ProperTies 'brand mascot'

Mr. Joy represents 'new age' marketing and refreshed approach to branding in the real estate segment, intended to enhance brand salience, brand connect and customer delight .

Mr. Joy has been especially designed to connote to the 'Home Category' and at the same time give a look and feel of a male persona that manifests core values of MARG ProperTies brand i.e.:

- Customer friendly & omni-accessible
- Trustworthy
- Responsible
- Dependable
- Caring
- Timely and quality delivery
- Expert advisor



Mr. Joy perfectly blends with the MARG ProperTies brand which is known for its excellence in terms of expertise, delivery and its strong customer-friendly approach. The friendly demeanor of the mascot has built strong and instant ties with the customers and has helped create a strong brand recall.

The importance of branding in today's keenly competitive real estate market is paramount. It is the brand that is a key differentiator. Mr. Joy gives MARG ProperTies a unique identity that is instantly recognizable.



Hoisting the flag of prosperity

THE FLAG POLE
Executed by
BALA ENTERPRISES



MAARG
swarnabhumi
- the land of new thinking

75
Azadi Ka
Amrit Mahotsav

Photos taken as a part of Independence day Celebration held on MARG Swarnabhoomi SEZ on 15th Aug 2022, to commemorate the 75th Anniversary of Indian Independence with Mr. GRK Reddy, Chairman & Managing Director, MARG Limited hoisting the national flag.

DIRECTORS' REPORT

To,
The Members of
MARG Limited

Your Directors are presenting the 27th Annual Report together with the Financial Statements for the financial year ended 31st March 2022.

1. FINANCIAL RESULTS

(Rs. in Crores)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Income from operations	0.00	3.06
Non-operating Income	0.98	5.70
Total income	0.98	8.76
Profit/(loss) before Depreciation, Finance Cost and Tax Expense (EBDIT)	(4.14)	(3.04)
Depreciation	6.04	6.32
Interest & Finance charges	0.00	0.01
Profit/(Loss) before tax	(10.18)	(3.29)
Tax Expense		
Current Tax	NIL	NIL
Deferred Tax	NIL	NIL
Profit/(Loss) after Tax	(10.18)	(3.29)
Balance in Profit & Loss Account	(220.98)	(217.87)
Amount available for appropriation	(231.06)	(220.98)
Dividend	NIL	NIL
Dividend tax	NIL	NIL
Amount transferred to General Reserve	NIL	NIL
Balance in Profit and Loss Account	(231.06)	(220.98)

During the Financial Year 2021-22, total revenue of the Company stands at Rs. NIL as against Rs. 3.06 Crores in the previous year. The EBDIT is Rs. (4.14) Crores, compared to previous year of Rs. (3.04) Crores. The Company incurred net loss of Rs. 10.18 Crores during the financial year ended March 31, 2022 as compared to net loss of Rs. 3.29 Crores in the previous year. This is primarily due to slow down of operation, lack of fund availability of projects, depressed markets, increase in cost of raw materials and labour.

2. DIVIDEND

Due to loss incurred by the Company, your Directors have not recommended any dividend for the financial year ended March 31, 2022.

3. BUSINESS HIGHLIGHTS 2021-22

MARG Revenue Stands at Rs. NIL in the Financial Year 2021-22.

4. DIRECTORS

The composition of the Board of Directors is in compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

During the year under review - Mrs. Kandasamy Karpagambal and Mrs. Savitha Prasannakumar were appointed as Additional Directors of the Company at the Board Meeting held on 10th May 2021 to hold office upto the 26th Annual General Meeting and their appointment were duly approved by the Shareholders in the Meeting held on 30th Sep 2021.

The board is duly constituted with required number of Independent Directors and the following Directors constitute the Board of Directors of the company:- Mr. G R K Reddy, Mrs. V Revathi, Mr. Rajendran Dinesh, Mrs. Elumalai Usha, Mrs. Kandasamy Karpagambal and Mrs. Savitha Prasannakumar.

5. MEETINGS

During the year under review, the Board of Directors met 5 (Five) times on 10th May 2021, 29th June 2021, August 13th, 2021, December 20, 2021, March 24, 2022

In accordance with Clause VII of the Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on March 24, 2022.

6. ANNUAL EVALUATION BY THE BOARD

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under section 134(3) (p) of the Companies Act, 2013.

7. AUDIT RELATED MATTERS

A. AUDITORS

The members of the Company at the 21st Annual General Meeting had appointed M/s. A R Krishnan & Associates., Chartered Accountants (Firm Registration No.009805S), Chennai, as the Statutory Auditors of the Company, to hold office from the conclusion of 21st Annual General Meeting of the Company until the conclusion of the 26th Annual General Meeting. Further the same Auditors M/s. A R Krishnan & Associates., Chartered Accountants being appointed in this Annual General Meeting for their Second term for 5 years till the conclusion of 31st Annual General Meeting.

The Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company.

B. SECRETARIAL AUDIT REPORT

The Board had appointed Mrs. Brinda Amarnath, Company Secretary in Whole-time Practice (Membership No. CP No (24087) as Secretarial Auditor for the financial year ended 31st March, 2022 to carry out the Secretarial Audit under the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The report of the Secretarial Auditor is enclosed to this report as “**Annexure A**”.

C. COST AUDIT

The requirement to maintain cost accounting records and appointment of Cost Auditor in accordance with the provisions of Companies (Cost Records and audit) Rules, 2014 is not applicable for the financial year 2021-22.

8. SUBSIDIARY COMPANIES STATUS

Your Company has total of 58 subsidiaries as on 31st March 2022, out of which 4 are Non wholly-owned subsidiaries and 54 Wholly-owned subsidiaries, including 25 Step-down Subsidiaries. There has been no material change in the nature of the business of the Company and its subsidiaries except disposal of Riverside Mall by banker under SARFASAI.

In accordance with Section 129(3) of the Act, Consolidated Financial Statements of the Company and all its subsidiaries forms part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC - 1 is enclosed herewith as Annexure D to the Boards report. The statement also provides the details of performance and financial position of each of the Subsidiaries.

Subsidiary Companies' Monitoring Framework

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- ❖ Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- ❖ Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.
- ❖ A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

Financial Position and Performance of Subsidiaries and Associates

In terms of Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of subsidiaries are given as an Annexure to the Consolidated Financial Statements.

9. POLICY AND OTHER MATTERS

A. Corporate Social Responsibility

The Company has constituted Corporate Social Responsibility Committee under the section 135 of the Companies Act 2013, which is making exclusive progress in the field of Corporate Social Responsibility and Societal interventions. The Committee is predominantly involved in the areas of Women empowerment, education, health and hygiene, community-based programs including art, music, sports and other socio economic and cultural activities.

This Committee has been entrusted with the responsibility of formulating and recommending to the Board a CSR policy, from time to time, broadly indicating the activities to be undertaken by the company apart from the activities (already under processing) that are mandatory in the implementation of the frame work of CSR policy and recommend the money to be spent on each of the activities as prescribed under Act and the Rules made there under.