



20th

ANNUAL REPORT

2018-19

DLF EMPORIO LIMITED

CIN: U74920HR1999PLC034168

**REGD. OFFICE: SHOPPING MALL, PHASE-I,
DLF CITY, GURUGRAM,
HARYANA-122002.**

DLF EMPORIO LIMITED
(CIN: U74920HR1999PLC034168)



Company Information

Board of Directors

Mr. Prashant Gaurav Gupta
Non-Executive Director
(DIN – 07951272)
(appointed w.e.f. 29.01.2019)

Mr. Manoj Kumar Dua
Non-Executive Director
(DIN – 02794998)

Ms. Dinaz Madhukar
Non-Executive Director
(DIN – 03453167)

Mr. Surinder Singh Chawla
Independent Director
(DIN – 00102064)

Mr. Santosh Kumar Garg
Independent Director
(DIN – 01153590)

Mr. Raj Kumar Jain
Nominee Director
(DIN - 00026544)

Mr. Anupam Sharma
Non- Executive Director
(DIN: 05234238)
(resigned w.e.f. 30.01.2019)

Manager

Mr. Anupam Sharma
(resigned w.e.f. 16.05.2018)

Mr. Prashant Gaurav Gupta
(appointed w.e.f. 16.05.2018)

Company Secretary

Mr. Anuj Kushwaha

Chief Financial Officer

Mr. Hari Krishan Bansal

Reference Information

Registered Office Address

Shopping Mall, Phase-1, DLF City, Gurugram,
Haryana-122002.

Registrar & Share Transfer Agent

For Debentures:

Karvy Computershare Private Limited,
Karvy Selenium Tower B, Plot no. 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032.

For Equity Shares:

Alankit Assignments Limited
'Alankit House' 2E/21, Jhandewalan
Extension, New Delhi – 110055.

Debentures listed at

Bombay Stock Exchange
(ISIN: INE866N07016)

Details of Debenture Trustee

Axis Trustee Service Limited
2nd Floor E, Axis House,
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg
Worli, Mumbai – 400025.

Statutory Auditors

S.R. Batliboi & Co. LLP
Golf View, Corporate Tower-B, Sector-42,
Sector Road, Gurugram-122002, Haryana.

DLF EMPORIO LIMITED

Regd. Office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122 002
(CIN - U74920HR1999PLC034168) Website: www.dlfemporio.com
Tel No: 0124-4778121, E-mail: dlfemporio@dlf.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON MONDAY, 15TH JULY 2019 AT 10:00 A.M. AT 11TH FLOOR, GATEWAY TOWER, DLF CITY, PHASE – III, GURUGRAM, HARYANA – 122002 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:


1. To receive, consider and adopt the Audited Financial Statement for the financial year ended 31st March 2019 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Manoj Kumar Dua (**DIN- 02794998**), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendment, modification or re-enactment thereof for the time being in force) (“the Act”), Mr. Prashant Gaurav Gupta, Manager (**DIN – 07951272**), who was appointed as an additional Director w.e.f. 29th January 2019 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act read with the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying its intention to propose Mr. Prashant Gaurav Gupta as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

By order of the Board of Directors
For DLF Emporio Limited


Anuj Kushwaha
Company Secretary

Date : 03.05.2019
Place : Gurugram

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HERSELF/HIMSELF IN ACCORDANCE WITH THE COMPANIES ACT, 2013 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED, STAMPED AND SIGNED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. The Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning the business under item no. 3 of the notice is annexed hereto and forms part of the notice.
3. The details of Director seeking re-appointment, in terms of the Companies Act, 2013 (including Secretarial Standard-2) is annexed hereto and forms part of this Notice.
4. Relevant documents and statutory registers are open for inspection at the Registered Office of the Company at Shopping Mall, Phase-I, DLF City, Gurugram - 122002 on all working days up to the date of the AGM and shall also be available for inspection at the AGM.
5. Corporate member intending to send its authorized representative to attend the meeting are requested to send a certified copy of Board Resolution authorizing its representative to attend and vote on its behalf at the meeting.
6. Copy of the full Annual Report (2018-19) is being sent to all the persons who are entitled to receive the same. Hard copy of the Annual Report will be made available to debenture holders who request for the same.
7. The Annual Report is also available on the Company's website at the link <http://www.dlfemporio.com/investors/index.html>.
8. The facility for voting through polling paper in terms of Section 109 of the Companies Act, 2013 and the rules made thereunder shall be made available at the Annual General Meeting.

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9. The Company has appointed Oberoi & Associates, Company Secretaries in whole-time practice as Scrutinizer to scrutinize the polling process in fair and transparent manner. Mr. Harsh Oberoi has given his consent for such appointment.

10. Route map of the venue of the Meeting (including prominent land mark) is annexed.

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STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

Item No. 3

The members may kindly note that pursuant to the provisions of Section 161 of the Companies Act, 2013 and the rules made thereunder ('the Act') read with Articles of Association of the Company, Mr. Prashant Gaurav Gupta, Manager (**DIN - 07951272**), was appointed as an additional director of the Company w.e.f. 29th January 2019. Accordingly, Mr. Prashant Gaurav Gupta will hold office of Director up to the date of ensuing Annual General Meeting.

Mr. Prashant Gaurav Gupta, Manager, has given his consent to act as the Director of Company and a declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Company has received a notice in writing from a member proposing the candidature of Mr. Prashant Gaurav Gupta, Manager, for the office of Director of the Company and the Board of Directors & Nomination and Remuneration Committee in terms of the provisions of Section 160 of the Companies Act, 2013 has recommended his appointment as Director of the Company, liable to retire by rotation.

Information about the appointee:

Age:	38 Years
Qualifications:	B.Com. (Hons.), from Delhi University and B.Sc. degree in Hospitality Management from Indira Gandhi National Open University.
Experience:	Having rich experience of over 17 years in hospitality and has a successful stint with ITC Hotels. His last assignment was as Hotel Manager of flagship Hotel of ITC Limited.
Terms and Conditions of Appointment/ Re-appointment along with details of remuneration sought to be paid	Appointment is for a period of 3 years without remuneration.
Date of first appointment on the Board	16.05.2018 (Manager)
Shareholding in the Company	NIL

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Relationship with other Directors and other KMPs	NIL
Number of Board Meetings attended during the year (Financial Year 2018-19)	2 (Two)
Other Directorship(s)	NIL
Committee Positions in other Companies	NIL

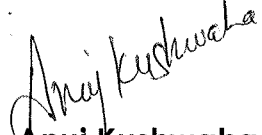
Keeping in view his vast qualifications, experience, expertise and knowledge, it will be in the interest of the Company that Mr. Prashant Gaurav Gupta, Manager, be appointed as Director liable to retire by rotation.

All the documents as referred above shall be open for inspection by the members during business hours on any working day at the registered office of the Company and will also be available at the meeting.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except Mr. Prashant Gaurav Gupta, is concerned or interested, financially or otherwise in the resolution set out at the item No. 3 of the notice.

Your Directors recommend the resolution to be passed as an **Ordinary Resolution**.

By order of the Board of Directors
For DLF Emporio Limited


Anuj-Kushwaha
Company Secretary

03.05.2019
Gurugram

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PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U74920HR1999PLC034168

Name of the Company: DLF Emporio Limited

Registered office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana – 122 002.

Name of the member(s): _____
Registered address: _____
E-mail Id: _____
Folio No/ Client Id: _____
DP ID: _____

I/We, being the member(s) of Shares of the above named Company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:, or failing him/her
2. Name:
Address:
E-mail Id:
Signature:, or failing him/her
3. Name:
Address:
E-mail Id:
Signature:

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on **Monday, 15th July 2019 at 10:00 A.M. at 11th Floor, Gateway Tower, DLF City, Phase – III, Gurugram, Haryana – 122002** and at any adjournment thereof in respect of such resolutions as are indicated below:

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Resl No.	Resolution	For #	Against#	Abstained#
1.	Adoption of Audited Financial Statement as at 31 st March 2019 together with Reports of Board of Directors and Auditors thereon.			
2.	Re-appointment of Mr. Manoj Kumar Dua (DIN: 02794998) as Director, who retires by rotation.			
3.	Appointment of Mr. Prashant Gaurav Gupta, Manager (DIN - 07951272), as the Director of Company.			

Signed this day of..... 2019.

Signature of Member

Signature of Proxy holder(s)

Affix
Revenue
Stamp of
appropriate
value

Notes:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at least forty eight (48) hours before the commencement of the meeting.**
- 2) A Proxy need not be a member of the Company.**
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- 4) #This is only optional. Please put '✓' or 'x' in the appropriate column against the resolutions indicated in the Box. If you leave 'For/or 'Against' column blank against the resolution, your Proxy will be entitled to vote in the manner as he/she deems appropriate.**
- 5) Appointing a proxy does not prevent a member from attending the meeting in person, if he/she so desire.**

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ATTENDANCE SLIP

20th Annual General Meeting – Monday, 15th July 2019

1. Full Name and Registered Address of the Member (in BLOCK LETTERS)	
2. Full Name of the Proxy (in BLOCK LETTERS)	
3. Folio No. / DP Id – Client Id*	
4. No. of Equity Shares held	

I / We, Being the Registered Shareholder / Proxy for the Registered Shareholder** of the Company, hereby record my / our presence at 19th Annual General Meeting of the Company held on **Monday, 15th July 2019 at 10:00 A.M. at 11th Floor, Gateway Tower, DLF City, Phase – III, Gurugram, Haryana – 122002** and at any adjournment(s) thereof.

Member's / Proxy's Signature

***Applicable for investors holding shares in electronic form**

****Strike off whichever is not relevant**

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Details of the Director seeking re-appointment at the Annual General Meeting

Name	Manoj Kumar Dua
Age	45 Years
Qualifications	Qualified Cost and Management Accountant, Company Secretary and Chartered Secretary (London, UK).
Experience	Over 20 years of experience in Corporate Financial Planning & Control, Accounts, Finance /fund management, Commercial Operations, Systems implementations, Strategic Planning, Auditing, Direct & Indirect Taxation, Costing, Legal, Secretarial and compliance functions in manufacturing as well as Service organization(s). Mr. Dua has been part of DLF Group for past 12 years and currently holds the position of Assistant Vice President (Finance and Accounts) Mall division.
Terms and Conditions of Appointment along with details of remuneration sought to be paid:	Appointment as Director of the Company liable to retire by rotation. Remuneration- N.A.
Date of first appointment on the Board	05.08.2017
Shareholding in the Company:	Nil
Relationship with Other Directors and other KMPs:	Nil
Number of Board Meetings attended during the year (Financial Year 2018-19)	5 (Five)
Other Directorship(s):	DLF Info City Developers (Chandigarh) Limited; Chandrajyoti Estate Developers Private Limited; DLF Info City Developers (Kolkata) Limited; DLF Emporio Restaurants Limited; DLF City Centre Limited; Riveria Commercial Developers Limited; DLF Emporio Limited; and Richmond Park Property Management Services Limited. Lodhi Property Company Limited

DLF EMPORIO LIMITED

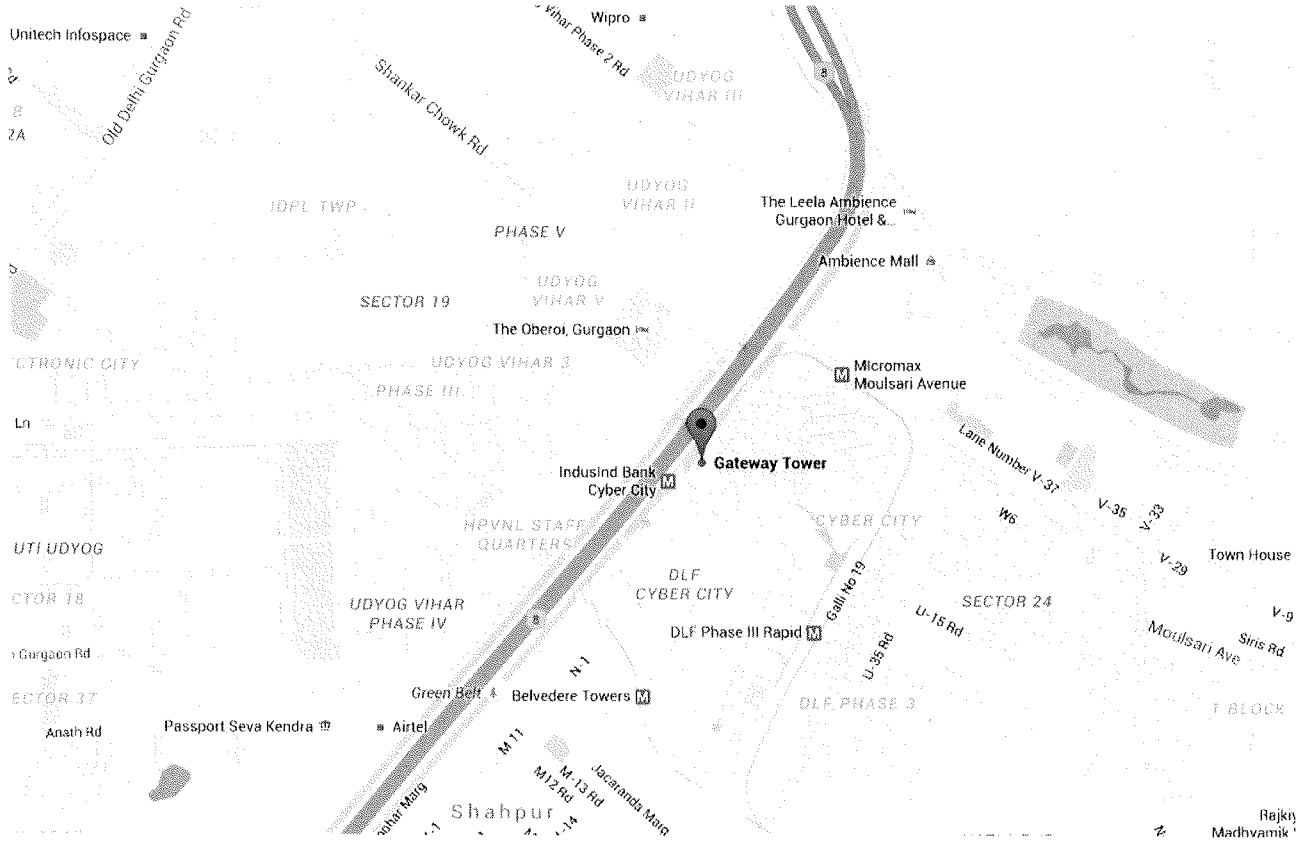
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Committee Positions in other Companies	Corporate Social Responsibility Committee DLF Info City Developers (Kolkata) Limited- Member; and DLF Info City Developers (Chandigarh) Limited- Member.
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ROUTE MAP OF 20TH ANNUAL GENERAL MEETING VENUE



LOCATION MAP OF GATEWAY TOWER, DLF CYBER CITY, DLF PHASE-III, GURUGRAM -122002

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 20th Annual Report on the business and operations of the Company together with the audited financial results for the financial year ended 31st March 2019.

Financial Results

	(₹ in Lakh)	
	2018-19	2017-18
Total income	25,226.62	23,295.15
Total Expenses	12,006.17	11,799.02
Profit before exceptional item and tax	13,220.45	11,496.13
Exceptional item	-	37.32
Profit before tax	13,220.45	11,533.45
Less: Tax Expenses		
Current tax	3,553.04	3,649.79
Deferred tax credit	(105.50)	(510.87)
Net Profit	9,772.91	8,394.53

Review of Operations

During the FY 2018-19, total income has been increased by 8.29% from ₹ 23,295.15 lakh (previous year) to ₹ 25,226.62 lakh due to increase in rental income, interest income earned by the Company. The expenses of the Company increased by 1.76% from ₹ 11,799.02 lakh (previous year) to ₹ 12,006.17 lakh due to increase in finance cost and Ind AS adjustments. The net profit of the Company stood at ₹ 9,772.91 lakh an increase of 16.42% against ₹ 8,394.53 lakh (previous year). The basic & diluted EPS for the FY 2018-19 is ₹ 197.07/- as compared to ₹ 169.28/- in previous year.

About DLF Emporio Mall: India's first and finest Luxury Shopping Destination

DLF Emporio is a name truly synonymous with luxury. Exclusivity, ambient spaces, state of the art unparalleled luxury retail and hospitality experiences & uber luxe aesthetics are the signatures of this spectacular offering. An environment that ensconces the best of global and Indian luxury brands, DLF Emporio is a haven for luxury shoppers across India. With an enviable portfolio of over 50 International Luxury brands and 49 Indian designers, 4 Restaurants and 1 International Salon, the retail space is a unique destination with state-of-the-art luxury retail and hospitality offerings.

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A forerunner and a pioneer in the Indian Luxury Retail space, DLF Emporio is solely responsible for putting India on the global luxury map.

Known for creating unique and discerning luxury experiences and offering best in class luxury services DLF Emporio has always created benchmarks in excellence. As a validation of their distinction, DLF Emporio has been adjudged an "Iconic Project 2008" by Global Initiative for Restructuring Environment & Management, "Best Shopping Centre" by the "Shoppers and Consumers Insight" and "Images Group" from 2009-2012, "Most Admired Shopping Centre of the year 2014" by CMO Asia and "Asia's best Real Estate Project" by World Consulting & Research Corporation, "Retail Property of the year (National)" by Franchise India at the Magpie Estate Awards 2017. DLF Emporio has also received "**Sword of Honour 2018**" by British Safety Council. International Electrotechnical Commission Awards has accoladed the DLF Emporio in-house magazine "The Wedding Issue 2014" by including it in its top 100 magazines of the country and bestowing a "Certificate of Merit" to "The Festive Issue 2015".

In addition to this, DLF Emporio has recently received "Most Admired Shopping Centre of the Year: Luxury" at IMAGES Shopping Centre Awards 2018; "Shopping Mall of the Year- North" by Franchise India Group and "Most Luxurious Shopping Mall" by Times Network.

Outlook

The luxury retail sector is poised for a huge transformation, where luxury retail is now becoming more and more about disruptive experiences rather than pure play, luxury product purchases.

Luxury customers have evolved to become more discerning and are looking at transformative and immersive brand engagements – like meeting the ateliers and having an evening of indulgence with the brand, learning more about the bespoke and personalized craftsmanship and the last rung of these experiences is the product buy.

The Luxury sector is also seeing the emergence of the young affluent class, self-made first-generation rich (SME's/ Entrepreneurs/ Unicorn creators/ Influencers/ Women CEO's/CXO's)

There is also a huge online offline battle unfolding on the luxury front, basis the emergence of the digital space as key influencing platform. However, the offline stores will always have more customer sway, since the luxury consumer is very different in his/her consumption vis a vis a premium brand consumer.

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The F&B, entertainment and luxury travel space are emerging as big spending blocks for the luxury consumer. In the coming years Luxury retail will need to embed itself seamlessly with the travel, entertainment and F&B parcels in order to give its guests a 360 degree unique luxury experience.

The luxury store formats are moving away from staid archetypes and using technology to engage its guests and buyers in fascinating new ways. Personalization is becoming a key component of luxury buying.

India although a small project for big brands, initially, is gaining popularity and preference from International brands who may never have looked at India with serious lens in the past. With the opening of BKC in Mumbai, the numbers game in the luxury sector will become a little more robust- this is the right push that the luxury retail industry in India needs at the moment.

However, the oncoming elections and the political upheaval in May, will set the course for defining upwards or downwards trend in the consumption and buying behavior of the Indian luxury consumer.

Although the current government had brought in political stability, it also adversely impacted the luxury buys when it came to cash transaction and created a fear psychosis for 'cash' based buys- so we did in the past two years see a churn in the customer profile. Having said that the revenues of our retail partners have grown this year and are expected to attain stability and positive growth in the coming year (unless there are unforeseen policy changes at bay).

Dividend

Your Board of Directors for the financial year under review, with a view to conserve resources for future development and expansion have not recommended any dividend on Equity Shares.

Reserves

During the financial year under review, the Company has transferred ₹ 4,678.50 lakh (₹ 3,074.22 lakh for the FY 2017-18) to Debenture Redemption Reserve towards redemption of redeemable non-convertible debentures.

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Material Changes and Commitment

There was no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the report.

Changes in the nature of Business

There was no change in the nature of business during the financial year under review.

Share Capital Structure

During the financial year under review, there were no changes in the share capital structure of the Company.

Commercial mortgage backed securities (CMBS)

5,250 secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 10 Lakhs each having coupon rate of 10.90% per annum payable on monthly rests under commercial mortgage backed securities (CMBS) structure aggregating to ₹ 525 Crores (Rupees Five Hundred and Twenty Five Crores Only), issued and allotted by the Company continues to be listed with Bombay Stock Exchange.

ICRA Ltd. has re-affirmed the rating '**[ICRA]AA(SO)/Stable**' on the CMBS, vide letter dated 22nd November 2018.

CRISIL Ltd. has reaffirmed the rating '**CRISIL AA (SO)/Stable**' on the CMBS, vide letter dated 6th March 2019.

The Company had exercising its right to redeem all the non-convertible debentures in terms of Clause 2.5.1. (Early Redemption Date) of Debenture Trust Deed dated 15th May 2014.

Payment of Listing Fee

Annual listing fee for the Financial Year 2019-20 in connections with the non-convertible debentures listed with Bombay Stock Exchange has been paid by the Company.

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Fixed Deposits

The Company has not accepted/renewed any public deposits during the financial year under review.

Holding Company

Richmond Park Property Management Services Limited, DLF Cyber City Developers Limited and DLF Limited are the holding Companies of your Company and Rajdhani Investments & Agencies Private Limited is the ultimate holding Company of your Company.

Subsidiary/Associate Companies/Joint Venture

During the financial year under review, the Company does not have any subsidiary/associate Companies/ joint ventures, therefore the provisions of Section 129(3) of the Companies Act, 2013 are not applicable to the Company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given as **Annexure-A** hereto and form part of this report.

Particulars of Employees

The Company has no employee whose particulars are required to be given under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendments made thereunder from time to time.

Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace

Your Company has been following a policy framed by DLF Limited, the holding Company (DLF), on Prohibition, Prevention and Redressal of Sexual Harassment of Women at workplace and matter connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013". The Internal Complaints Committee of DLF handle/ deal with the

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complaints pertaining to DLF and its subsidiaries. During the period under review, no complaint was received.

Directors' Responsibility Statement

In terms of the provisions of Section 134(5) of the Companies Act, 2013 our Directors confirm that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

During the FY under review, your Company has duly followed all applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings'.

DLF EMPORIO LIMITED

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Tel No: 0124-4778121, E-mail: dlfemporio@dlf.in

Number of Meetings of the Board

During the financial year under review, the Board met 6 (six) times i.e. on 16th May, 31st July, 26th October & 28th December 2018 and 29th January and 25th March 2019 as per the under noted attendance. The maximum interval between any two meetings was in compliance with the provisions of the Act. The requisite quorum was present at all the meetings.

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Ms. Dinaz Madhukar	Director	6	5
2.	Mr. Manoj Kumar Dua	Director	6	5
3.	Mr. Santosh Kumar Garg	Independent Director	6	6
4.	Mr. Surinder Singh Chawla	Independent Director	6	4
5.	Mr. Raj Kumar Jain	Nominee Director	6	5
6	Mr. Anupam Sharma	Director* & Manager**	5	5
7.	Mr. Prashant Gaurav Gupta (appointed as Director w.e.f. 29 th January 2019)	Director# & Manager##	2	2

* Resigned as Director w.e.f. 30th January 2019

** Resigned as Manager w.e.f. 16th May 2018.

Appointed as Director w.e.f. 29th January 2019.

Appointed as Manager w.e.f. 16th May 2018.

Audit Committee

The Audit Committee consists of the following members:

Mr. Surinder Singh Chawla, Independent Director	Chairman
Mr. Santosh Kumar Garg, Independent Director	Member
Ms. Dinaz Madhukar, Director	Member

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During the financial year 2018-19, six meetings of the Audit Committee was held on 16th May, 31st July, 26th October & 28th December 2018 and 29th January and 25th March 2019 as per the under noted attendance. The maximum interval between any two meetings was in compliance with the provisions of the Act. The requisite quorum was present at all the meetings.

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Mr. Santosh Kumar Garg	Independent Director	6	6
2.	Mr. Surinder Singh Chawla	Independent Director	6	4
3.	Ms. Dinaz Madhukar	Director	6	5

The Board has accepted all recommendations of the Audit Committee.

Vigil Mechanism

The Company had established a Vigil Mechanism policy namely "DLF Emporio Limited - Vigil Mechanism" under the supervision of the Audit Committee.

The Chairman of the Audit committee has been authorised to hear the grievances of the stakeholders including directors, employees and their representative bodies, if any and take steps to resolve the issues amicably/ take appropriate action against offenders and report the same to the Audit committee.

During the financial year under review, the Board of Directors had made modification in the existing Vigil Mechanism Policy of the Company in order to align the existing "Vigil Mechanism Policy" of the Company with the "Whistle Blower Policy" of DLF Limited, the holding Company and to expand its scope to include Directors/ employees/ customers/ vendors, if any.

Nomination and Remuneration Committee (NRC)

The NRC consists of the following members:

DLF EMPORIO LIMITED

Regd. Office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122 002
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Mr. Surinder Singh Chawla, Independent Director	Chairman
Mr. Santosh Kumar Garg, Independent Director	Member
Ms. Dinaz Madhukar, Director	Member

The broad terms of reference are as under: -

1. To determine Remuneration Policy of the Company;
2. To recommend to the Board the remuneration, whether by way of salary, perquisites, sitting fees, commission, stock options, sweat equity or in a combination thereof or otherwise, payable to the Managing Director(s), Whole-time Director(s) and other Directors, their relatives engaged in the employment of the Company;
3. To recommend to the Board the remuneration, whether by way of salary, perquisites, commission, retainership fee or otherwise, payable to Directors for discharging the professional or other services otherwise than in the capacity of Director;
4. To frame policies and compensation including salaries, incentives, bonuses, promotion, benefits, stock options and performance targets for executives of the Company;
5. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;

The Committee while formulating the policy, shall ensure that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
6. Formulation of criteria for evaluation of Board, its Committees and individual Directors including Independent Directors;
 7. Devising a policy on Board diversity; and

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8. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

During the financial year 2018-19, two meetings of the Nomination and Remuneration Committee were held on 16th May 2018 and 29th January 2019 the attendance of which are as under and requisite quorum was present in the meetings:-

S. No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Mr. Santosh Kumar Garg	Independent Director	2	2
2.	Mr. Surinder Singh Chawla	Independent Director	2	1
3.	Ms. Dinaz Madhukar	Director	2	2

A copy of "Nomination and Remuneration Policy" shall remain open for inspection by the members during business hours on any working day at the Registered Office of the Company and has been disclosed on Company's website at the link <http://www.dlfemporio.com/investors/policies.html>.

Corporate Social Responsibility Committee (CSR Committee)

The CSR Committee consists of the following members:

Mr. Raj Kumar Jain, Nominee Director	Chairman
Mr. Surinder Singh Chawla, Independent Director	Member
Ms. Dinaz Madhukar, Director	Member

During the financial year 2018-19, four meetings of the Corporate Social Responsibility Committee were held on 16th May, 31st July & 26th October 2018 and 25th March 2019, the attendance of which is as under and requisite quorum was present in all the meetings:-

DLF EMPORIO LIMITED

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S. No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Mr. Raj Kumar Jain (Chairman)	Nominee Director	4	4
2.	Mr. Surinder Singh Chawla	Independent Director	4	3
3.	Ms. Dinaz Madhukar	Director	4	3

The Board of Directors on the recommendation of the CSR Committee had amended the CSR policy of the Company for better governance perspective and to ensure best utilization of amount given to the nodal agency appointed for CSR expenditure and also to have better monitoring mechanism for implementation of the CSR projects/programs/activities.

During the financial year under review, the Company has made significant investments in community welfare initiatives for the underprivileged through education, environment, sanitation, capacity building and rural-centric interventions through DLF Foundation, DLF Q.E.C. Medical Charitable Trust and DLF Q.E.C. Educational Charitable Trust. The Company spent the entire sum of ₹ 2.34 Crore as entitled towards CSR activities/projects/ programs for the FY 2018-19 in terms of Section 135 of the Companies Act, 2013 read with Schedule VII and the rules made thereunder ("the Act").

A copy of "Corporate Social Responsibility Policy" shall remain open for inspection by the members during business hours on any working day at the registered office of the Company and has been disclosed on Company's website at the link <http://www.dlfemporio.com/investors/policies.html>. The Annual Report on CSR activities is annexed as **Annexure-B**.

Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the rules made thereunder, S.R. Batliboi & Co. LLP [301003E/E300005], Chartered Accountants were appointed as Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 18th Annual General Meeting ("AGM") till the conclusion of 23rd AGM vide shareholders resolution dated 28th September 2017.

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Auditors' Report

There has been no qualification, reservation or adverse remarks or disclaimer in the Auditors' Report on the financials of the Company. The observations of the Auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

Cost Records

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Company was not required to maintain cost records for the FY 2018-19.

Secretarial Audit

The Board had appointed AS & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31st March 2019 is annexed as **Annexure-C**. The said report does not contain any qualification, reservation and adverse remarks.

Directors & Key Managerial Personnel

During the financial year under review, Mr. Anupam Sharma had resigned as Manager of the Company w.e.f. 16th May 2018 and also from the directorship of the Company w.e.f. 30th January 2019. The Board took note of the contribution made by Mr. Anupam Sharma, as Director during deliberation in the Board meetings held during his tenure.

The Board of Directors on the recommendations of the Nomination and Remuneration Committee had appointed Mr. Prashant Gaurav Gupta as Manager w.e.f. 16th May 2018 and as an additional director with effect from 29th January 2019.

Mr. Prashant Gaurav Gupta is a Commerce Graduate [B.Com. (Hons.)] from Delhi University and holds B.Sc. degree in Hospitality management from Indira Gandhi National Open University. Mr. Gupta is having rich experience of more than 17 years in hospitality and has a successful stint with ITC Hotels. His last assignment was as Hotel Manager of flagship Hotel of ITC Limited.

The resolution pertaining to his appointment as director of the Company on the recommendation of the Board is being placed before the members for their approval in the ensuing Annual General Meeting of the Company.

DLF EMPORIO LIMITED

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The Company has received necessary declarations from Mr. Surinder Singh Chawla and Mr. Santosh Kumar Garg, Independent Directors, under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Pursuant to Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Manoj Kumar Dua, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommended his re-appointment.

During the financial year under review, no non-executive Directors of the Company had pecuniary relationship or transactions with the Company, other than the sitting fees paid to independent directors and nominee director and reimbursement of expenses incurred by non-executive Directors for the purpose of attending meetings of the Company.

Currently, Mr. Prashant Gaurav Gupta, Director & Manager, Mr. Hari Krishan Bansal, Chief Financial Officer and Mr. Anuj Kushwaha, Company Secretary are Key Managerial Personnel (KMP) of the Company in terms of the provisions of the Companies Act, 2013.

None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act, 2013 is annexed as **Annexure-D**.

Particulars of loans, guarantees or investments

Particulars of Loans and investments covered under Section 186 of the Companies Act, 2013, form part of the notes to the financial statement provided in this Annual Report.

During the financial year under review, the Company has neither made any investment nor provided guarantees as covered under Section 186 of the Companies Act, 2013 and rules made thereunder.

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Transactions with Related parties

The Company has adequate procedures for the purpose of identification and monitoring of related party(ies) and related party transactions. None of the transactions with related parties falls under the scope of Section 188(1) of the Companies Act, 2013 ("the Act"). Information on transactions with related parties pursuant to Section 134(3)(h) and 136(1) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended are available for inspection at the registered office of the Company.

The Company's policy for related party transactions regulates the transactions between the Company and its related parties. The policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and related parties. For details on related party transactions, members may refer to the notes to the financial statement.

Board Evaluation

The Nomination and Remuneration Committee, pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder ("the Act"), formulated the Policy on Board evaluation, evaluation of Board Committees' functioning and individual Director evaluation. In keeping with DLF's belief that it is the collective effectiveness of the Board that impacts Company performance, the primary evaluation platform is that of collective performance of the Board as a whole. Board performance is assessed against the role and responsibilities of the Board as provided in the Act. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholders value as well as to fulfil expectations of other stakeholders through strategic supervision of the Company. Evaluation of functioning of Board Committees is based on discussions amongst Committee members and shared by the respective Committee Chairman. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings, in assisting the Board in realizing its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals.

Based on the above, the Nomination and Remuneration Committee has carried out the annual performance evaluation of the Board, Committees of the Board and individual Directors including Independent Directors.

The Independent Directors of the Board also reviewed the performance of the non-Independent Directors pursuant to Schedule IV of the Act.

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Risk Management

The Audit Committee has oversight in the areas of financial risks and control and is also responsible to frame, implement and monitor the risk management plan and ensuring its effectiveness. Risks are identified through a consistently applied methodology. The Company has put in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

The Audit Committee also seeks independent assurance on specific risks from internal audit or other assurance reviews.

Internal Financial Controls and Systems

Internal financial controls are integral part of the risk management process addressing amongst others financial and non-financial risks. The internal financial controls have been documented and augmented in the day to day business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, self assessment, continuous monitoring by functional experts as well as testing by the Statutory/Internal Auditor during the course of their audits. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The Company's internal control system is commensurate with the nature, size and complexities of operations.

Significant and material orders passed by regulators or courts

During the financial year under review, the Company has not received any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Accolades

During the financial year under review, the Company have been conferred the following awards:

- I. **"DLF DLF Emporio Mall** had been awarded **as "IMAGES Most Admired Shopping Centre of the Year-Luxury"** by **"Images Group"**.
- II. **" DLF Emporio Mall, New Delhi, had been awarded with prestigious "Sword of Honour 2018"** from **British Safety Council** for excellence in Occupational Health & Safety.

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- III. DLF Emporio Mall had been awarded as “Shopping Mall of the Year - North” by Franchise India Group at Star Retailer Awards 2018.
- IV. DLF Emporio Mall had been awarded as “Most Luxurious Shopping Mall” by Times Network at National Awards for Marketing Excellence.

Details of Debenture Trustee

The details of Debenture Trustees are as under:

Axis Trustee Service Limited
2nd Floor, E, Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai – 400 025.
Tel: 022-24255216; **Fax:** 022-24254200
E-mail ID: debenturetrustee@axistrustee.com

Acknowledgement

Your Directors are thankful to the Stakeholders including Central and State Government authorities, Financial Institutions, Bankers, Suppliers, Clients and tenants for their continued co-operation, support and encouragement during the financial year under review.

For and on behalf of the Board of Directors
DLF Emporio Limited



Prashant Gaurav Gupta
(Director & Manager)
DIN: 07951272

Date : 03.05.2019
Place: Gurugram



Dinaz Madhukar
(Director)
DIN: 03453167

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Annexure - 'A'

Particulars required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY:

(i)	The steps taken or impact on conservation of energy;	Common area light fixtures replaced to LED.
(ii)	The steps taken by the company for utilizing alternate sources of energy;	Green Energy from open access for the month of June, August and October 2018.
(iii)	The capital investment on energy conservation equipments;	₹ 14.89 lakhs for LED lighting.

B. TECHNOLOGY ABSORPTION:

(i)	The efforts made towards technology absorption;	NIL
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof; and	NIL
(iv)	The expenditure incurred on Research and Development.	NIL

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C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

		(Amount in ₹)	
		2018-19	2017-18
(i)	The Foreign Exchange earned in terms of actual inflows during the financial year; and	NIL	NIL
(ii)	The Foreign Exchange outgo during the financial year in terms of actual outflows.	NIL	NIL

For and on behalf of the Board of Directors
DLF Emporio Limited


Prashant Gaurav Gupta
(Director & Manager)
DIN: 07951272


Dinaz Madhukar
(Director)
DIN: 03453167
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Date : 03.05.2019
Place: Gurugram

DLF EMPORIO LIMITED

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Annual Report on Corporate Social Responsibility (CSR) Activities

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

Sl. No	Particulars	Remarks
1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programs	<p>DLF Emporio Limited has formulated its CSR Activities to integrate economic, environmental and social objectives with its operations and growth for common good as per Schedule VII of the Companies Act, 2013 and any amendments or modifications made thereto.</p> <p>Weblink to the CSR Policy is : http://www.dlfemporio.com/investors/pdfs/CSR_Policy_DLF_Emporio_Ltd.pdf</p> <p>Copy of the CSR Policy is available for inspection by the members during business hours on any working day at the registered office of the company and will also be available at the meeting.</p>
2	The Composition of the CSR Committee	<p>1) Mr. Raj Kumar Jain (Chairman)</p> <p>2) Mr. Surinder Singh Chawla (Member)</p> <p>3) Ms. Dinaz Madhukar (Member)</p>
3	Average net profit of the company for last three financial years	Rs. 117.23 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 2.34 Crores
5	<p>Details of CSR spent during the financial year:</p> <p>a) Total amount to be spent for the financial year:</p> <p>b) Amount unspent , if any:</p> <p>c) Manner in which the amount spent during the financial year is detailed below:</p>	<p>Rs. 2.34 Crores</p> <p>Nil</p> <p>As detailed below:</p>

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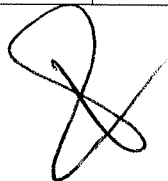
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(₹ in Lakh)

DETAILS OF EXPENDITURE

Sl. No	Program Name	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2)Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) project or programs wise	Amount spent on the projects or programs		Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency	Reason for not spending the allotted budget
						Direct expenditure on projects or programmes	Over heads			
1	Education Promotion Programme	Skill Academy	Education	Gurgaon (Haryana)	21.00	0.00	0.00	0.00	DLF Foundation	Refer Note 1
2	Swacch Programme	Cleaning & development of Nallah along District Centre	Sanitation	Saket, New Delhi	25.94	0.00	0.00	0.00	DLF Foundation	Refer Note 2
3	Education Promotion Programme	Promotion of Education through School Scholarship	Education	Gurgaon (Haryana)	155.02	128.24	6.41	134.65	DLF QEC Educational Charitable Trust	Refer Note 3
		Promotion of Education through Professional Scholarship	Education	Pan India	56.54	34.29	1.71	36.00	DLF QEC Educational Charitable Trust	Refer Note 4
4	Health care	Running Primary Health Centers & Mobile Clinics	Healthcare	Indore	21.45	19.42	0.97	20.39	DLF QEC Medical Charitable Trust	Refer Note 5
5	Swacch Programme	Installation of bio-toilets	Sanitation	Chandi garh	3.93	3.74	0.19	3.93	DLF Foundation	Refer Note 5
		Installation of bio-toilets	Sanitation	New Delhi	7.98	7.30	0.37	7.67	DLF Foundation	




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6	Caring Senior Citizen	Senior Citizen daily Recreation Centre	Education	Gurgaon (Haryana)	5.25	4.18	0.21	4.39	DLF Foundation	Refer Note 5
Total					*297.11	197.17	9.86	**207.03		

*includes the unspent amount of ₹ 63 lakhs lying with DLF Foundation out of the contribution made by the Company during the FY 2017-18.

** Total unspent amount of ₹ 90.08 lakhs at the end of FY 2018-19 lying unspent with DLF Foundation, DLF QEC Medical Charitable Trust and DLF Q.E.C. Educational Charitable Trust which shall be incurred by them during the FY 2019-20 and shall be monitored by the CSR Committee in terms of CSR Policy of the Company.

CSR Committee confirms the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Note 1

A detailed study has been carried out and the project proposal in partnership with leading agency for upskilling of out-sourced man power has been finalized and the amount would be utilized shortly.

Note 2

Proposal has been shared with the Government but project implementation is pending on account of non-receipt of Government permission. Project is expected to be implemented during FY 2019-20.

Note 3

- (i) Actual expenditure on Summer & Winter Workshops were lower than the budgeted amount.
- (ii) Actual expenditure on account of counselling/mentoring etc. was lower than the budgeted amount.
- (iii) English language & Remedial Coaching activity in schools could not be done due to non-availability of internet facility in the schools resulting in actual expenditure lower by ₹ 7 lakhs.
- (iv) Entrance preparation/coaching for Class X to XII was provided free of cost by the Agency as against budgeted amount of ₹ 5 lakhs.


Note 4

Expenditure was lower as certain talent nurturing activities i.e. Annual Workshop & development of tool for monitoring scholarship programmes could not take place during the year resulting in lower actual expenditure of ₹ 21 lakhs which would have got apportioned amongst all the professional institutions based on actual no of scholarships given.

Note 5

Project managed effectively resulting in reduction in expenditure as compared to budget.


Mr. Prasad Gurav Gupta
Director & Manager
DIN: 07951272


Mr. Raj Kumar Jain
Chairman, CSR Committee
DIN: 00026544

AS & ASSOCIATES
 COMPANY SECRETARIES

Office: 207, Connaught Place, Connaught Centre, Laxmi Park, New Delhi-110048
 Tel: +91 (0)11 26115408
 Email: info@ascs.com, ascs@ascs.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
 M/s DLF Emporio Limited
 (CIN:U74920HR1999PLC034168)
 Shopping Mall, Phase- 1, DLF City, Gurugram,
 Haryana-122002.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DLF Emporio Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **DLF Emporio Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not Applicable)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable)

DLF Emporio Limited -31.03.2019



A.S. & ASSOCIATES

COMPANY SECRETARIES

Office: 275, Sunehra Tower II, District Centre, Janak Puri, New Delhi 110058.

Tel: +91-9810135405

Email: office.as@rediffmail.com

- (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014; (Not Applicable)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and (Not Applicable)
 - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended;
- (vi) The Company has constructed a shopping mall-cum entertainment complex named DLF Emporio at Vasant Kunj, New Delhi and further leased out to various tenants. As informed by the management, there is no sector specific law applicable to the Company;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE);

There was no activity to be reported under the SCRA, Depositories Act, FEMA and the rules made thereunder. Only debt securities of the Company are listed on BSE as such, provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 are not applicable per se. Further as confirmed by the management, no such listed securities of the Company were held and / or traded by any insider of the Company during the audit period.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director as applicable. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

DLF Emporio Limited -31.03.2019

AS



AS & ASSOCIATES
COMPANY SECRETARIES

Office: 215, Sonaja Tower-II, District Centre, Janak Puri, New Delhi-110058.

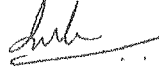
Tel. +91-9810195408

Email: anilsetia_73@rediffmail.com

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

I further report that during the audit period, there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.,
- (ii) Redemption / buy-back of securities,
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013,
- (iv) Merger / amalgamation / reconstruction, etc., and
- (v) Foreign technical collaborations.

Signature: 

For AS& Associates
Company Secretaries
(Anil Setia)
Prop.
FCS No.: 2856
C.P No.: 4956



FORM MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74920HR1999PLC034168
ii	Registration Date	17/03/1999
iii	Name of the Company	DLF Emporio Limited
iv	Category/Sub-category of the Company	Public Company, Limited by Shares
v	Address of the Registered office & contact details	Shopping Mall, Phase - 1, DLF City, Gurugram - 122 002, Haryana. Tel No: 0124-4778121, Contact Details : 0124-4778101/8121 E- mail ID: punjani-rp@dlf.in
vi	Whether listed company	Yes (Debentures are listed with BSE)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	For Debentures: Karvy Computershare Private Limited Karvy Selenium Tower B, Plot no. 31&32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Contact Person- Mr. Varghese P.A.: 040-67162222 For Equity : Alankit Assignments Limited 'Alankit House' 2E/21, Jhandewalan Extension, New Delhi - 110055. Contact Person- Mr. J.K. Singla : 011-42541960

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Estate Activities	681- Real Estate activities with own or lease properties	100

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF VOTING RIGHTS	APPLICABLE SECTION
1	Richmond Park Property Management Services Limited Regd. Office: Shopping Mall, Phase - 1, DLF City, Gurugram, Haryana - 122 002.	U74920HR1999PLC034194	Holding	54.96%	Sec 2(46)
2	DLF Cyber City Developers Limited (Holding Company of Richmond Park Property Management Services Limited) Regd. Office: 10th Floor, Gateway Tower, DLF City, Phase-III, Gurugram, Haryana - 122002.	U45201HR2006PLC036074	Holding	45.04%	Sec 2(46)
3	DLF Limited (Holding Company of DLF Cyber City Developers Limited) Regd. Office: Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002.	L70101HR1963PLC002484	Holding	-	Sec 2(46)
4	Rajdhani Investments & Agencies Private Limited, Regd. Office: MC Shah House, 1/B, FF, Avantika Society, Nr. Naranpura Railway Crossing, Naranpura, Ahmedabad-380013.	U65993GJ1972PTC097502	Ultimate Holding	-	Sec 2(46)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % of total Equity)
(i) Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	49,59,000	-	49,59,000	100.00	49,59,000	-	49,59,000	100.00	0
e) Bank/Fl	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	49,59,000	-	49,59,000	100.00	49,59,000	-	49,59,000	100.00	0
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	49,59,000	-	49,59,000	100.00	49,59,000	-	49,59,000	100.00	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	49,59,000	-	49,59,000	100	49,59,000	-	49,59,000	100	0

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	% change in share holding during the year
1	Richmond Park Property Management Services Limited	27,25,750	54.96	54.96	27,25,750	54.96	54.96	0
2	DLF Cyber City Developers Limited alongwith its nominees	22,33,250	45.04	45.04	22,33,250	45.04	45.04	0
	Total	49,59,000	100.00	100.00	49,59,000	100.00	100.00	0

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	49,59,000	100.00	49,59,000	100.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
2	At the end of the year	-	-	49,59,000	100.00

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year				
i	Nil	Nil	Nil	Nil	Nil
ii	Nil	Nil	Nil	Nil	Nil
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
i	Nil	Nil	Nil	Nil	Nil
ii	Nil	Nil	Nil	Nil	Nil
2	At the end of the year(or on the date of separation, if separated during the year)				
i	Nil	Nil	Nil	Nil	Nil
ii	Nil	Nil	Nil	Nil	Nil

(v) Shareholding of Directors and Key Managerial Personnel:

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

V INDEBTEDNESS

(Amount in ₹)

Indebtedness of the Company including interest outstanding/accrued but not due for payment#				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,25,00,00,000	-	-	5,25,00,00,000
ii) Interest due but not paid				
iii) Interest accrued but not due	1,88,13,698	-	-	1,88,13,698
Total (i+ii+iii)	5,26,88,13,698	-	-	5,26,88,13,698
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction				
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	5,25,00,00,000	-	-	5,25,00,00,000
ii) Interest due but not paid				
iii) Interest accrued but not due	1,88,13,698	-	-	1,88,13,698
Total (i+ii+iii)	5,26,88,13,698	-	-	5,26,88,13,698

Values are as per IGAAP

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Nil

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

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors		Amount in ₹	
1	Independent Directors	-	Mr. Santosh Kumar Garg	Mr. Surinder Singh Chawla	-
	(a) Fee for attending board/ committee meetings	-	2,80,000	2,40,000	5,20,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	-	2,80,000	2,40,000	5,20,000
2	Other Non Executive Directors	Mr. Raj Kumar Jain (Nominee Director)	-	-	-
	(a) Fee for attending board/ committee meetings	1,80,000	-	-	1,80,000
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)	1,80,000	-	-	1,80,000
	Total (B)=(1+2)				7,00,000
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act.	-	-	-	-

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as% of profit others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Date: 03.05.2019
Place: Gurugram


Prashant Gaurav Gupta
Director & Manager
DIN-07951272

For and on the behalf of Board of Directors
DLF Emporio Limited


Omaz Madhukar
Director
DIN- 03453167

INDEPENDENT AUDITOR'S REPORT

To the Members of DLF Emporio Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of DLF Emporio Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("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, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matter
1. Related Party Transactions (as described in note 43 of the Ind AS financial statements)	
<p>The Company has undertaken a number of transactions with its related parties in the normal course of business. These transactions include Rental Income, Service Income, Parking Income, Interest Income, Electricity/ HVAC Expenses, Facility & Repair and Maintenance Expenses, Recovery of Property tax, Business Support Services Expenses, Bank Guarantee Charges and CSR Expenses.</p> <p>We identified the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2019.</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"> - We have obtained and read the Company's policies, processes and procedures in respect of identifying related parties; approval and recording of related party transactions including how management determines all transactions/ balances with related parties to be at arm's length and entered into in the normal course of business and disclosed in the Ind AS financial statements. - We tested, on a sample basis, related party transactions with the underlying contracts and other documents and for authorization and approval for such transactions. - We read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with transaction with related parties effected during the year. - We have agreed the amounts disclosed to underlying documentation and relevant agreements, on a sample basis. - We have evaluated the disclosures in the financial statements through reading/ testing of statutory information, books and records and other documents obtained during the course of our audit.
2. Accounting for lease rental income (as described in note 2(c) & 21 of the Ind AS financial statements)	
<p>Lease Rental Income amounted to INR 12,930.61 lacs for the year ended March 31, 2019. Lease rental income is recognized net of discount, in accordance with the terms of lease agreements with the tenants on the basis of Revenue Share or Minimum Guaranteed Rentals, whichever is higher. There are a few lease arrangements where the revenue recognition is based on purely Revenue Share or Fixed Rentals as per the respective lease agreements. There is an inherent risk around the accuracy of the revenue recorded due to manual calculation of lease rental income from Revenue Share which forms significant part of the revenue.</p> <p>We identified the same as a key audit matter because there is an inherent risk around the accuracy of the revenue recorded and impact of the terms of lease agreements to the revenue recognition.</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"> - Our audit procedures included reading and assessing the Company revenue recognition accounting policies and assessing compliance with the policies in terms of IND AS 17 Leases. - We performed tests of details, on a sample basis. We read the terms contained in the contracts entered into with the tenants to assess whether lease rental income recorded is as per the contract terms and also to identify any non-standard lease clauses and to assess the rental income accounting. - Regarding lease rental income from Revenue Share, we agreed the underlying working to the data of monthly Store Sales provided by the tenants, on sample basis. - We matched the data used in the revenue recognition to the approved lease agreements with the tenants on sample basis.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
3. Assessing the carrying value of Investment property <i>(as described in note 2(f) & 4 of the Ind AS financial statements)</i>	
<p>As at March 31, 2019, the carrying value of the Investment Property (primarily a retail mall) is INR 37,001.58 lacs which is located in Vasant Kunj, Delhi.</p> <p>Further, the carrying value of Investment property is assessed by the management, as at year end, to identify whether there is an indication that an asset may be impaired.</p> <p>We considered the valuation of Investment Property a key audit matter given the significant estimates and judgment involved in impairment assessment.</p>	<p>Our procedures in assessing the management's judgement for the impairment assessment included, among others, the following:</p> <ul style="list-style-type: none">- We obtained and read the valuation report from an expert valuer used by the management for determining the fair value ('recoverable amount') of the investment property.- We considered the independence, competence and objectivity of the management expert involved in determination of valuation.- We assessed the Company's valuation methodology applied and compared key property related data used as input by the valuer with the books of accounts.- We compared the fair value as mentioned in the valuation report to the carrying value of the Investment property.- Made inquiries with management to understand key drivers of the cash flow forecasts like discount rates, capitalization rates, expected growth rates and terminal growth rates used and assessed the impact of sensitivity on key drivers on the fair valuation.- We also assessed the disclosure on the Investment properties in Note 4 to the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 the 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 also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of



adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
 - (c) The Balance Sheet, the Statement of Profit and Loss including 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The Company has not paid or provided for any managerial remuneration. Accordingly, provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements 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, as amended in our opinion and to the best of our information and according to the explanations given to us:



S.R. BATLIBOI & Co. LLP

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- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 35 to the 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.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

Firm Registration Number: 301003E/E300005


per **Amit Gupta**

Partner

Membership Number: 501396



Place: Gurugram

Date: May 03, 2019

Annexure 1 referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement' section of our report of even date

Re: DLF Emporio Limited ("the Company")

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property plant and equipment and investment property, except for buildings capitalised under Investment property, where fixed assets register is currently under updation to include its complete component wise quantitative details and situations thereof.
- b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the company.
- ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and 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 within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, sales-tax, service tax, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, provident fund, duty of custom and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, sales-tax, service tax, value added tax, goods and service tax, cess and other 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, provident fund, duty of excise and duty of custom are not applicable to the Company.



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c) According to the records of the Company, the dues outstanding of income-tax, and service tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1,046.70	AY 2009-10	CIT (Appeal)
Income Tax Act, 1961	Income Tax	1,694.42	AY 2010-11	CIT (Appeal)
Income Tax Act, 1961	Income Tax	1,796.57	AY 2011-12	ITAT
Income Tax Act, 1961	Income Tax	805.08	AY 2012-13	ITAT
Finance Act, 1994	Service Tax	767.07	Financial Year 2007-08 to 2009-10	Commissioner, Service Tax Delhi
Finance Act, 1994	Service Tax	60.76	Financial Year 2011-12	Commissioner, Service Tax Delhi

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans to debenture holders. The Company did not have any loans or borrowings in respect of dues to financial institutions, banks or to government during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, reporting requirements under clause 3(xi) of the Order are not applicable and hence not commented upon.
- (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 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) are not applicable to the Company and, not commented upon.



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Chartered Accountants

- (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 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

Firm Registration Number: 301003E/E300005


per Amit Gupta

Partner

Membership Number: 501396

Place: Gurugram

Date: May 03, 2019



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DLF EMPORIO 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 DLF Emporio Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS Financial Statements

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 authorizations of management and directors



S.R. BATLIBOI & Co. LLP

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of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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

Firm Registration Number: 301003E/E300005



per Amit Gupta

Partner

Membership Number: 501396



Place: Gurugram

Date: May 03, 2019

DLF Emporio Limited

Balance Sheet as at March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	-
Investment property	4	37,001.58	37,710.68
Financial assets			
Loans	5	60.15	60.15
Other financial assets	6	-	1,846.67
Non-current tax assets (net)	7	1,347.89	1,313.20
Other non-current assets	8	-	28.53
		<u>38,409.62</u>	<u>40,959.23</u>
Current assets			
Financial assets			
Trade receivables	9	786.92	606.77
Cash and cash equivalents	10	805.21	749.17
Other bank balances	11	7,222.09	2,093.87
Loans	5	81,080.24	75,491.75
Other financial assets	6	2,130.96	39.16
Other current assets	8	264.04	340.69
		<u>92,289.46</u>	<u>79,321.41</u>
TOTAL ASSETS		<u>1,30,699.08</u>	<u>1,20,280.64</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	495.90	495.90
Other equity	13	67,637.30	57,864.38
Total equity		<u>68,133.20</u>	<u>58,360.28</u>
Non-current liabilities			
Financial Liabilities			
Borrowings	14	-	51,640.76
Other financial liabilities	15	4,405.83	3,238.35
Deferred tax liabilities (net)	16	2,120.16	2,225.66
Deferred revenue	17	1,459.61	1,256.81
		<u>7,985.60</u>	<u>58,361.58</u>
Current liabilities			
Financial Liabilities			
Trade payables	18	-	-
Total outstanding dues of micro enterprises and small enterprises		17.41	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		701.37	1,068.47
Other financial liabilities	19	53,143.60	1,934.31
Deferred revenue	17	521.12	408.34
Other current liabilities	20	196.78	147.66
		<u>54,580.28</u>	<u>3,558.78</u>
TOTAL EQUITY AND LIABILITIES		<u>1,30,699.08</u>	<u>1,20,280.64</u>

Summary of significant accounting policies 2

The accompanying notes forms an integral part of these financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

CMA Firm Registration No.: 3010031E/1300005



per Amit Gupta

Partner

Membership Number: 501396



For and on behalf of the Board of Directors of
DLF Emporio Limited



Dinaz Madhukar

Director

DIN - 03453167



Hari Krishan Bansal

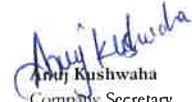
Chief Financial Officer



Prashant Gaurav Gupta

Director & Manager

DIN: 07951272



Anuj Kushwaha

Company Secretary

Membership Number- A52027

Place : Gurugram

Date : May 03, 2019

Place : Gurugram

Date : May 03, 2019



DLF Emporio Limited

Statement of Profit and Loss for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	March 31, 2019	March 31, 2018
Revenue			
Revenue from operations	21	16,234.91	15,620.57
Other income	22	8,991.71	7,674.58
Total income		25,226.62	23,295.15
Expenses			
Finance costs	23	6,937.96	6,695.22
Depreciation expense	24	793.97	790.26
Other expenses	25	4,274.24	4,313.54
Total expenses		12,006.17	11,799.02
Profit before exceptional items and tax		13,220.45	11,496.13
Exceptional item (refer note 45)		-	37.32
Profit before tax		13,220.45	11,533.45
Tax expense	26		
Current tax		3,553.04	3,649.79
Deferred tax credit		(105.50)	(510.87)
Profit after tax		9,772.91	8,394.53
Other Comprehensive Income			
A i) Items that will not be reclassified to profit or loss	27		
Fair valuation gain/ (loss) on investment in equity instrument		-	(9.31)
ii) Income tax relating to items that will not be reclassified to profit or loss		-	2.11
Total Comprehensive Income for the year		9,772.91	8,387.33
Earnings per equity share			
Basic	28	197.07	169.28
Diluted		197.07	169.28

Summary of significant accounting policies 2

The accompanying notes form an integral part of these financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/ E300005


per Amit Gupta
Partner

Membership Number: 501396



For and on behalf of the Board of Directors of
DLF Emporio Limited




Dinaz Madhukar
Director
DIN - 03453167

Prashant Gaurav Gupta
Director & Manager
DIN: 07951272


Hari Krishan Bansal
Chief Financial Officer


Anuj Kushwalia
Company Secretary
Membership Number- A52027

Place : Gurugram

Date : May 03, 2019

Place : Gurugram

Date : May 03, 2019





DLF Emporio Limited

Statement of Cash Flow for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2019	March 31, 2018
A. Cash flow from operating activities		
Net Profit before tax and Other Comprehensive Income	13,220.45	11,533.45
Adjustment for :		
Interest expense	6,403.25	6,169.50
Amount forfeited on properties	-	(20.25)
Unclaimed balances written back	14.21	14.99
Bad debts written off	(9.52)	-
Depreciation expense	793.97	790.26
Gain on sale of investment	-	(37.32)
Loss on sale of Asset	9.46	-
Financial liability measured at amortised cost (net)	14.13	(42.05)
Loss on pre settlement of financial liability	6.75	4.78
Interest income	(8,959.68)	(7,655.29)
Operating profit before working capital changes	11,493.02	10,758.07
Adjustment for change in working capital :		
Decrease / (increase) in trade receivables	(184.84)	69.83
Decrease / (increase) in loans, financial and other current assets	105.48	(81.70)
Increase / (Decrease) in trade payables	(349.69)	195.58
Increase / (Decrease) in financial and other liabilities	359.86	330.90
Cash flow from operations	11,423.83	11,272.68
Income tax paid (net of refunds)	(3,587.73)	(3,740.75)
Net cash flow from operating activities	7,836.10	7,531.93
B. Cash flow from investing activities		
Purchase of investment property (including capital creditors)	(55.63)	(28.53)
Proceeds from sale of investment property	0.53	-
Loans given to related parties	-	(8,970.00)
Investment in fixed deposits (net)	(118.55)	(111.28)
Investment in other bank balances	(5,128.22)	(1,066.07)
Proceed from sale of investments (refer note 45)	-	49.32
Interest received	3,244.31	7,781.33
Net cash used in investing activities	(2,057.56)	(2,345.23)
C. Cash flow from financing activities		
Interest paid	(5,722.50)	(5,722.50)
Net cash used in financing activities	(5,722.50)	(5,722.50)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	56.04	(535.80)
Cash and cash equivalents at the beginning of the year	749.17	1,284.97
Cash and cash equivalents at the end of the year (refer note 10)	805.21	749.17

Summary of significant accounting policies

The accompanying notes forms an integral part of these financial statements.

2

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

INAI Firm Registration No.: 3010031/ 1300005

Amit Gupta
per Amit Gupta
Partner

Membership Number: 501396



For and on behalf of the Board of Directors of
DLF Emporio Limited

Dinaz Madhukar
Dinaz Madhukar
Director
DIN - 03453167

Prashant Gaurav Gupta
Prashant Gaurav Gupta
Director & Manager
DIN: 07951272

Hari Krishan Bansal
Hari Krishan Bansal
Chief Financial Officer

Anuj Kushwaha
Anuj Kushwaha
Company Secretary
Membership Number- A52027

Place : Gurugram
Date : May 03, 2019

Place : Gurugram
Date : May 03, 2019

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DLF Emporio Limited
Statement of changes in equity for the year ended March 31, 2019
(All amounts in ₹ lacs, unless otherwise stated)

A Equity share capital

Particulars	Balance as at April 1, 2017	Changes during the year	Balance as at March 31, 2018	Changes during the year	Balance as at March 31, 2019
Equity share capital	495.90	-	495.90	-	495.90

B Other equity

Particulars	Reserves and surplus				Other comprehensive income - reserve	Total Other equity
	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	Retained Earnings	FVTOCI reserve	
Balance as at April 1, 2017	4.10	4,455.00	5,005.70	40,005.06	7.20	49,477.06
Profit for the year	-	-	-	8,394.53	-	8,394.53
Change in other comprehensive income*	-	-	-	-	(7.20)	(7.20)
Transfer (from)/to retained earnings	-	-	3,074.22	(3,074.22)	-	-
Balance as at March 31, 2018	4.10	4,455.00	8,079.92	45,325.37	-	57,864.39
Profit for the year	-	-	-	9,772.91	-	9,772.91
Change in other comprehensive income	-	-	-	-	-	-
Transfer (from)/to retained earnings	-	-	4,678.50	(4,678.50)	-	-
Balance as at March 31, 2019	4.10	4,455.00	12,758.42	50,419.78	-	67,637.30

* refer note 27

The accompanying notes forms an integral part of these financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 3010031E/1300005


per Amit Gupta
Partner
Membership Number: 501396



For and on behalf of the Board of Directors of
DLF Emporio Limited


Dinaz Madhukar
Director
DIN - 03453167


Prashant Gaurav Gupta
Director & Manager
DIN: 07951272


Hari Krishan Bansal
Chief Financial Officer


Anuj Kushwaha
Company Secretary
Membership Number- A52027

Place : Gurugram
Date : May 03, 2019

Place : Gurugram
Date : May 03, 2019



1. Corporate information

Nature of principal activities

DLF Emporio Limited (“the Company”) is a company domiciled in India and has its registered office in Gurgaon. The Company was incorporated on March 17, 1999 under the provisions of Indian Companies Act. The Company has constructed a Shopping mall-cum-entertainment complex named as DLF Emporio, at Vasant Kunj, consisting of shops, commercial spaces, entertainment centre including but not limited to eateries, convention hall, indoor games court, food court, restaurants etc. and basement for parking and other spaces etc. The Company is engaged in the business of leasing and maintenance of shopping mall.

The financial statements for the year ended March 31, 2019 are approved for issue by the Board of Directors on May 03, 2019.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 (the ‘Act’), read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. The financial statements have been presented in Indian Rupees (₹) and all values have been rounded to the nearest lacs, except when otherwise indicated. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

b) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

c) Revenue from contracts with customers and other streams of revenue

Revenue comprises the consideration received or receivable for providing retail spaces on operating lease, rendering of maintenance service and other income in the ordinary course of the Company’s activities. Revenue is presented, net of taxes, rebates and discounts (if any).

Revenue is recognized as follows:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- i) Rental income is recognised on a straight-line basis over the term of the lease, except for contingent rental income which is recognised when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs. Parking income and fit out rental income is recognised in statement of profit and loss on accrual basis.
- ii) Revenue in respect of maintenance services is recognised over time, in accordance with the terms of the respective contract.
- iii) Advertisement/promotional income is recognised on accrual basis in accordance with the terms of the agreement.



- iv) Parking income includes revenue earned from the operations of the parking facilities, which is recognised when the services are rendered.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The same has been included under the head “unbilled receivables” in the financial statements.

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The same has been included under the head “advance from customers” in the financial statements.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

e) Property, plant and equipment

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Office equipments	5

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.



DLF Emporio Limited
Notes to the financial statement for the year ended March 31, 2019
(All amount in ₹ lacs, unless otherwise stated)

De-recognition

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 de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the provisions of previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

f) Investment property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

Subsequent measurement (depreciation and useful lives)

Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Buildings	60
Plant and equipments	15

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss in the period of de-recognition.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Investment property recognised as at April 1, 2015 measured as per the provisions of previous GAAP and use that carrying value as the deemed cost of investment property.



DLF Emporio Limited

Notes to the financial statement for the year ended March 31, 2019

(All amount in ₹ lacs, unless otherwise stated)

g) Foreign currencies

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

h) Operating leases

Company as a lessee

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straightline basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

j) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

- i. **Financial assets at amortised cost** – the financial assets is measured at the amortised cost if both the following conditions are met:



DLF Emporio Limited

Notes to the financial statement for the year ended March 31, 2019

(All amount in ₹ lacs, unless otherwise stated)

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Equity investments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

De-recognition of financial assets

A financial asset is primarily de-recognised 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.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition 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.

k) 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 for financial assets.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



DLF Emporio Limited

Notes to the financial statement for the year ended March 31, 2019

(All amount in ₹ lacs, unless otherwise stated)

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date

1) Taxes on Income.

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

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, 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

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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 statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

Unused tax credit (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which such credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.



Goods & Services Tax (GST)/ Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/Service Tax 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.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

n) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events including a bonus issue.

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 year are adjusted for the effects of all dilutive potential equity shares.

p) Significant management judgement in applying accounting policies and estimation uncertainty

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 assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.



DLF Emporio Limited
Notes to the financial statement for the year ended March 31, 2019
(All amount in ₹ lacs, unless otherwise stated)

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40 Investment property there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

2.1 Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time during the current year, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.



a) Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption. The application of the Standard did not have any impact on the retained earnings as at April 1, 2018 or on the profit of the current year.

b) Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Company's financial statements.

c) Amendments to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Company's financial statements.

d) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments do not have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

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3 Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2019 and March 31, 2018 are as follows:

	Office equipments	Total
Gross block		
As at April 1, 2017	7.84	7.84
Additions	-	-
Disposals	-	-
As at March 31, 2018	7.84	7.84
As at April 1, 2018	7.84	7.84
Additions	-	-
Disposals	-	-
As at March 31, 2019	7.84	7.84
Accumulated depreciation		
As at April 1, 2017	7.79	7.79
Charge for the year	0.05	0.05
Disposals	-	-
As at March 31, 2018	7.84	7.84
As at April 1, 2018	7.84	7.84
Charge for the year	-	-
Disposals	-	-
As at March 31, 2019	7.84	7.84
Net block		
As at March 31, 2018	-	-
As at March 31, 2019	-	-

(i) Contractual obligations

The Company does not have any contractual commitments for acquisition of property, plant and equipment as at March 31, 2019 and March 31, 2018.

(ii) Capitalised borrowing cost

The Company has not capitalised any borrowing cost during the year ended March 31, 2019 and the year ended March 31, 2018.

(iii) Deemed cost of property, plant and equipment (represents deemed cost on the date of transition to Ind AS i.e. on April 1, 2015)

Description	Gross block	Accumulated depreciation	Net block
Office equipments	32.38	22.28	10.10
Total	32.38	22.28	10.10



4 Investment property

The changes in the carrying value of investment property for the year ended March 31, 2019 and March 31, 2018 are as follows:

	Freehold land	Buildings	Plant and equipments	Total
Gross block				
As at April 1, 2017	18,477.14	17,444.88	4,151.94	40,073.96
Additions				
Disposals/adjustment				
As at March 31, 2018	18,477.14	17,444.88	4,151.94	40,073.96
As at April 1, 2018	18,477.14	17,444.88	4,151.94	40,073.96
Additions			94.86	94.86
Disposals/adjustment			(17.43)	(17.43)
As at March 31, 2019	18,477.14	17,444.88	4,229.37	40,151.39
Accumulated depreciation				
As at April 1, 2017	-	640.25	932.82	1,573.07
Charge for the year	-	322.39	467.82	790.21
Disposals / adjustments				
As at March 31, 2018	-	962.64	1,400.64	2,363.28
As at April 1, 2018	-	962.64	1,400.64	2,363.28
Charge for the year	-	322.39	471.58	793.97
Disposals/adjustment			(7.44)	(7.44)
As at March 31, 2019	-	1,285.03	1,864.78	3,149.81
Net block				
As at March 31, 2018	18,477.14	16,482.21	2,751.30	37,710.68
As at March 31, 2019	18,477.14	16,159.85	2,364.59	37,001.58

(i) Contractual obligations

The Company does not have any contractual commitments for the acquisition of investment property as at March 31, 2019 and March 31, 2018 other than as mentioned in note 39.

(ii) Capitalised borrowing cost

The Company has not capitalised any borrowing cost during the year ended March 31, 2019 and the year ended March 31, 2018.

(iii) Amount recognised in profit and loss for investment property

	March 31, 2019	March 31, 2018
Rental income	12,930.61	12,245.07
Direct operating expenses that generated rental income	(577.56)	(567.63)
Direct operating expenses that did not generated rental income	-	-
Profit from leasing of investment properties before depreciation	12,353.05	11,677.44
Depreciation expense	(793.97)	(790.21)
Profit from leasing of investment property after depreciation	11,559.08	10,887.23

(iv) Operating lease commitments- as a lessor

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. The company has given building and related equipment on lease. The Company has entered into non-cancellable lease agreements with the tenants to whom it has leased out shops in Emporio Mall. The details of future minimum lease rentals receivable under operating lease for each of the following periods as on March 31, 2019 and March 31, 2018 are mentioned below:

	March 31, 2019	March 31, 2018
Upto one year	7,633.80	7,079.98
After one year but not more than 5 years	1,418.66	1,656.90
More than five years	-	-
Total	9,052.45	8,736.88

(v) Fair Value

	March 31, 2019	March 31, 2018
Fair Value	1,36,100.00	1,34,050.00

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The Company obtains independent valuations for its investment properties at least annually and fair value measurements are categorised as level 3 measurement in the fair value hierarchy.

Following are the valuation models which have been applied by the independent valuer:

- Discounted cash flow method, where net present value is determined based on projected cash flows discounted at an appropriate rate
- Sales comparable method, which compares the price or price per unit area of similar properties being sold in the marketplace

Further, inputs used in the above valuation models are as under:

- Property details comprising of total leasable area, area actually leased, vacant area, parking slots etc.
- Revenue assumptions comprising of market rent, market parking rent, rent growth rate, parking income growth rate, market lease tenure, market escalations, CAM income prevailing in the market etc.
- Cost assumptions comprising of brokerage cost, transaction cost on sale, cost escalations etc.
- Discounting assumptions comprising of terminal cap rate, discount rate
- Estimated cash flows from lease rentals, parking income, operation and maintenance income etc. for the future years

(vi) Deemed cost of investment property as on April 1, 2015

For investment property existing as on the date of transition to Ind AS, i.e., April 1, 2015, the Company has used Indian GAAP carrying value as deemed costs.

Description	Gross block	Accumulated depreciation	Net block
Freehold land	18,477.14	-	18,477.14
Buildings	20,296.95	2,797.75	17,499.20
Plant and equipments	5,266.06	1,144.38	4,121.68
Total	44,040.15	3,942.13	40,098.02



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
5 Loans				
(Unsecured, considered good unless otherwise stated)				
Due from related parties* (refer note 41 and 43)				
DLF Emporio Restaurants Limited	-	-	3,106.45	2,893.10
DLF Home Developers Limited	-	-	77,973.79	72,598.35
Security deposits - others	60.15	60.15	-	-
Other loans	-	-	-	0.30
	60.15	60.15	81,080.24	75,491.75

* Includes interest accrued and due ₹ 12,262.49 lacs (March 31, 2018 ₹ 6,673.70 lacs)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
6 Other financial assets				
Deposits with original maturity more than 12 months*	-	1,846.67	1,965.22	-
Interest accrued				
- On FDR	-	-	161.34	35.29
- On Others	-	-	4.40	3.87
	-	1,846.67	2,130.96	39.16

* pledged with debenture trustee (refer note 14)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
7 Non current tax assets (net)				
Advance income tax (net of provisions for tax) (refer note 35)	1,347.89	1,313.20	-	-
	1,347.89	1,313.20	-	-

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
8 Other assets				
Advance to suppliers	-	-	65.97	65.97
Capital advances	-	28.53	-	-
Unbilled trade receivables (Contract assets)	-	-	65.45	150.18
Balance with statutory authorities	-	-	44.23	36.01
Prepaid expenses	-	-	88.39	88.53
	-	28.53	264.04	340.69

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DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2019	March 31, 2018
9 Trade receivables		
Related Parties (refer note 43)		
Secured, considered good	69.59	29.47
Unsecured, considered good	38.44	57.60
Others		
Secured, considered good	645.75	475.31
Unsecured		
- Considered good	33.14	44.39
- Considered doubtful	-	14.02
	786.92	620.79
Less : Allowance for expected credit loss	-	(14.02)
	786.92	606.77

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

	March 31, 2019	March 31, 2018
10 Cash and cash equivalents		
Balances with banks		
In current account (refer note 10.1)	15.93	17.88
In escrow account (refer note 10.2)	789.28	731.29
	805.21	749.17

10.1 Cheque issued from current account over and above the bank balance has been adjusted against auto sweep Fixed Deposit Receipt.

10.2 ₹ 789.28 lacs (March 31, 2018 ₹ 731.29 lacs) representing deposits, held by the entity that are not available for use by the Company, as these are pledged with the banks to fulfill the collateral requirements of borrowings taken by the Company.

10.3 Changes in financial liabilities arising from financing activities

	April 1, 2018	Cash flows	Charged to Statement of Profit & Loss	March 31, 2019
Non convertible debentures	51,640.76	-	680.75	52,321.51
Interest accrued on borrowings	188.14	(5,722.50)	5,722.50	188.14
Total liabilities from financing	51,828.90	(5,722.50)	6,403.25	52,509.65
	April 1, 2017	Cash flows	Charged to Statement of Profit & Loss	March 31, 2018
Non convertible debentures	51,193.76	-	447.00	51,640.76
Interest accrued on borrowings	188.14	(5,722.50)	5,722.50	188.14
Total liabilities from financing	51,381.90	(5,722.50)	6,169.50	51,828.90

	March 31, 2019	March 31, 2018
11 Other bank balances		
Bank deposits with original maturity more than 3 months but less than 12 months*	7,222.09	2,093.87
	7,222.09	2,093.87

* Cheque issued from current account over and above the bank balance has been adjusted against auto sweep Fixed Deposit Receipt.

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	March 31, 2019		March 31, 2018	
	No of shares	Amount	No of shares	Amount
12 Share capital				
12.1 Equity share capital				
(a) Authorised equity share capital				
Equity shares of ₹ 10 each	49,59,000	495.90	49,59,000	495.90
	49,59,000	495.90	49,59,000	495.90
(b) Issued, subscribed and paid up				
Equity shares of ₹ 10 each	49,59,000	495.90	49,59,000	495.90
	49,59,000	495.90	49,59,000	495.90
(i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
At the beginning of the year	49,59,000	495.90	49,59,000	495.90
Issued during the year	-	-	-	-
Outstanding at the end of the year	49,59,000	495.90	49,59,000	495.90

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by holding company and shareholders holding more than 5% shareholding in the Company

Name of the shareholder	March 31, 2019		March 31, 2018	
	No of shares	% holding	No of shares	% holding
Equity Shares				
Richmond Park Property Management Services Limited, holding company	27,25,750	54.96%	27,25,750	54.96%
DLF Cyber City Developer Limited and its nominees	22,33,250	45.04%	22,33,250	45.04%

As per the records of the company, the above shareholding represents both legal and beneficial ownership of shares.

(iv) The Company has not issued any equity shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

	March 31, 2019		March 31, 2018	
	No of shares	Amount	No of shares	Amount
12.2 Preference share capital				
(a) Authorised preference share capital				
12% non cumulative redeemable preference shares of ₹ 100 each	100	0.10	100	0.10
9% non cumulative redeemable preference shares of ₹ 100 each	4,000	4.00	4,000	4.00
	4,100	4.10	4,100	4.10

13 Other equity

	March 31, 2019	March 31, 2018
Reserves and surplus		
Capital Redemption Reserve	4.10	4.10
Securities Premium Reserve	4,455.00	4,455.00
Retained Earnings	50,419.78	45,325.37
Debenture Redemption Reserve	12,758.42	8,079.92
	67,637.30	57,864.39

Nature and purpose of other reserves**Capital Redemption Reserve**

The amount of money that the Company must keep when it buys back shares and which it cannot pay to shareholders as dividends. The capital redemption reserve is a non-distributable reserve.

Securities Premium Reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Debenture Redemption Reserve

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Retained Earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

Other Comprehensive Income

Other comprehensive income represents balance arising on account of gain/(loss) booked on fair valuation of equity instrument.



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

14 Borrowings

Secured

Non convertible debentures (secured)*

Non - Current	
March 31, 2019	March 31, 2018
52,321.51	51,640.76
52,321.51	51,640.76
(52,321.51)	-
-	51,640.76

Less : Disclosed under other financial liabilities (refer note 19)

* based on early redemption date

14.1 Repayment terms and security disclosure for the outstanding long term borrowings (including current maturities) :

Listed, Secured, Redeemable, 5,250 Non Convertible Debentures of ₹ 10,00,000 each referred above to the extent of :-

- (i) ₹52,321.51 lacs (March 31, 2018 : ₹ 51,640.76 lacs) are secured by way of first pari passu charge on the immovable property i.e 'DLF Emporio Mall' situated at New Delhi, owned by the Company. Coupon rate of these debentures is 10.90% and the final redemption date is November 21, 2021 and date of redemption (based on early redemption date) is not earlier than May 21, 2019. The Company has subsequently exercised its right to redeem all the Debentures on May 22, 2019. Pledge over the shareholding of the issuer company along with charge over debt service account in favour of debenture trustees (refer note 46).
- (ii) Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- (iii) Pledge over the shareholding of Company
- (iv) Fixed deposits pledged with debenture trustees. (refer note 6)

15 Other financial liabilities

Security deposit received from tenants

Capital creditors

Non - Current	
March 31, 2019	March 31, 2018
4,366.60	3,238.35
39.23	-
4,405.83	3,238.35

16 Deferred tax liabilities (net)

Deferred tax liabilities arising on account of :

Deduction claimed under section 24(b) of the Income tax Act, 1961.

Impact on financial liability at amortised cost

Impact on financial assets at amortised cost

Non - Current	
March 31, 2019	March 31, 2018
2,082.01	2,175.95
38.02	49.58
0.13	0.13
2,120.16	2,225.66

Movement in deferred tax liabilities during the year ended March 31, 2019

Particulars	April 1, 2018	Recognised in statement of profit and loss	Recognised in other comprehensive income	March 31, 2019
Non-current assets				
Investment property	2,175.95	(93.94)	-	2,082.01
Loans	0.13	-	-	0.13
Non current liabilities				
Other financial liabilities	49.58	(11.56)	-	38.02
Total	2,225.66	(105.50)	-	2,120.16

Movement in deferred tax liabilities during the year ended March 31, 2018

Particulars	April 1, 2017	Recognised in statement of profit and loss	Recognised in other comprehensive income	March 31, 2018
Non-current assets				
Investment property	2,697.67	(521.72)	-	2,175.95
Loans	0.13	-	-	0.13
Investments	2.11	-	(2.11)	-
Non current liabilities				
Other financial liabilities	38.73	10.85	-	49.58
Total	2,738.64	(510.87)	(2.11)	2,225.66



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2019	March 31, 2018
17 Deferred revenue		
At the beginning of the year	1,665.15	1,363.73
Deferred during the year	1,046.32	920.80
Released to the statement of profit and loss	(730.74)	(619.38)
At the end of the year	1,980.73	1,665.15
Current	521.12	408.34
Non-current	1,459.61	1,256.81
	1,980.73	1,665.15
	Current	
18 Trade payables	March 31, 2019	March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (refer note 32)	17.41	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Related Parties (refer note 43)	298.00	745.67
Others	403.37	322.80
	718.78	1,068.47
	Current	
19 Other financial liabilities	March 31, 2019	March 31, 2018
Current maturities of long term debt (Non convertible debentures)(refer note 14)	52,321.51	-
Interest accrued on borrowings (refer note 14)	188.14	188.14
Security deposits received from tenants	633.95	1,741.82
Other payable	-	4.35
	53,143.60	1,934.31
	Current	
20 Other current liabilities	March 31, 2019	March 31, 2018
Advance from customers	21.71	39.84
Statutory dues payable	175.07	107.82
	196.78	147.66



	March 31, 2019	March 31, 2018
21 Revenue from operations		
Operating revenue		
Rental income*	12,930.61	12,245.07
Revenue from contract with customers		
Disaggregated revenue information		
Service income	2,954.72	3,020.01
Parking Income	173.91	173.77
Income from promotion and advertisement activities	175.67	161.47
Amount forfeited on properties	-	20.25
Total revenue from contracts with customers	3,304.30	3,375.50
	16,234.91	15,620.57

* It includes ₹519.30 lacs (March 31, 2018 ₹ 565.88 lacs) income on account of financial liability measured at amortised cost.

Other disclosures required under Ind AS 115 "Revenue from contracts with customers"

	March 31, 2019
a. Timing of revenue recognition	
Revenue recognised over period of time	3,304.30
Revenue recognised at a point of time	-
	3,304.30
b. Contract balances	
Trade receivable from contracts with customers (March 31, 2018 - ₹ 216.43)	293.85
Contract assets	65.45
Contract liabilities	0.36

Trade receivables are generally on terms of 7 to 30 days. Interest on delay in payments from customers (if any) is recognised as per the terms of contracts.

Contract assets are initially recognised for revenue earned from maintenance services and other operating income as receipt of consideration is conditional on successful provision of services. Upon completion of services, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities include advances received in respect of provision of maintenance services to the tenants.

	March 31, 2019
c. Significant changes in contract assets and contract liabilities during the year	
i) Movement of contract liabilities	
Amounts included in contract liabilities at the beginning of the year	-
Amount received / adjusted against contract liabilities during the year	0.36
Revenue recognised from performance obligations satisfied in previous years	-
Amounts included in contract liabilities at the end of the year	0.36
ii) Movement of contract assets	
Amounts included in contract assets at the beginning of the year	150.18
Amount received / adjusted during the year	(84.73)
Amounts included in contract assets at the end of the year	65.45
d. Set out below is the amount of revenue recognised from:	
Amounts included in contract liabilities at the beginning of the year	-
Performance obligations satisfied in previous years	-
e. Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price	
Revenue as per contract price	3,304.30
Adjustment (if any)	-
	3,304.30
f. Performance obligation	

The performance obligation of the Company in case of maintenance services is satisfied over-time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company. The Company raises invoices as per the terms of the contracts, upon which the payment is due to be made by the tenants.

As per the terms of the service contracts with the customers, the Company has right to consideration from customers in an amount that directly corresponds with the value to the customers of the Company's performance obligation completed till date. Accordingly, the Company has used the practical expedient under Ind AS 115 'Revenue from contracts with customers' and has disclosed information relating to performance obligations to the extent required under Ind AS 115.

	March 31, 2019	March 31, 2018
22 Other income		
Interest income on		
Bank deposits	453.29	240.07
Loans	8,501.50	7,415.22
Others	4.89	4.30
Unclaimed balances and excess provisions written back	14.21	14.99
Miscellaneous income	17.82	-
	8,991.71	7,674.58



DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2019	March 31, 2018
23 Finance costs		
Interest expense on :		
Debentures	6,403.25	6,169.50
Financial liability measured at amortised cost	533.43	523.83
Others	-	1.86
Guarantee and bank charges	1.28	0.03
	6,937.96	6,695.22
24 Depreciation expense		
Depreciation on property, plant and equipment	-	0.05
Depreciation on investment property	793.97	790.21
	793.97	790.26
25 Other expenses		
Rates and taxes	22.45	22.10
Electricity, fuel and water	936.52	998.63
Advertisement and publicity	530.34	472.54
Repair and maintenance - building	47.12	64.01
Repair and maintenance - others	136.69	149.48
Commission & brokerage	0.10	31.08
Facility maintenance expenses	1,685.80	1,721.26
Heating, ventilation and airconditioning	476.91	452.61
Bad debts written off	9.52	-
Payment to auditors (refer note 25.1)	29.32	22.38
Legal and professional fees	65.87	46.76
Corporate Social Responsibility expense (refer note 40)	234.25	219.00
Director's expense	8.23	7.34
Business support service charges	74.36	100.50
Loss on pre settlement of financial liability (Net)	6.75	4.78
Loss on sale of assets	9.46	-
Miscellaneous expenses	0.55	1.07
	4,274.24	4,313.54
25.1 Payment to auditor*		
As auditor		
Audit fees (including limited review)	20.00	18.97
Tax audit fees	7.00	-
Other certifications	-	2.85
Out of pocket expenses	2.32	0.56
	29.32	22.38
<i>*exclusive of applicable taxes</i>		
26 Tax expense		
Current tax	3,553.04	3,649.79
Minimum alternate tax credit entitlement	-	-
Deferred tax credit	(105.50)	(510.87)
	3,447.54	3,138.92

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 29.12% (March 31, 2018- 34.608%) and the reported tax expense in profit or loss are as follows:

Particulars	March 31, 2019	March 31, 2018
Accounting profit before income tax	13,220.45	11,496.13
At country's statutory income tax rate of 29.12% (March 31, 2018: 34.608%) (A)	3,849.80	3,991.50
Adjustments		
Tax impact of expenses which will never be allowed	1,014.58	1,149.74
Standard deduction under income from house property	(1,082.87)	(1,212.91)
Interest expense allowed under section 24(b) of Income Tax Act	(228.47)	(271.92)
Difference due to change in tax rate	-	(427.79)
Deferred tax on Ind AS Adjustment	(11.57)	10.85
Deferred tax on Unamortised Pre Construction Interest	(93.93)	(93.93)
Others	-	(6.62)
Total adjustment (B)	(402.26)	(852.58)
Income tax expenses recognised in the books (A+B)	3,447.54	3,138.92



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

27 Other comprehensive income

Items that will not be reclassified to profit or loss

Fair valuation gain/ loss on investment in equity instrument
Income tax effect on above

	March 31, 2019	March 31, 2018
	-	(9.31)
	-	2.11
	-	(7.20)

28 Earnings per equity share

Earnings attributable to equity shareholders
Weighted average number of equity shares outstanding (in numbers)
Nominal value of equity share (₹)
Earnings per equity share (₹)
- Basic
- Diluted

	March 31, 2019	March 31, 2018
	9,772.91	8,394.53
	49,59,000	49,59,000
	10.00	10.00
	197.07	169.28
	197.07	169.28

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DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2019
(All amounts in ₹ lacs, unless otherwise stated)

29 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Fair value of investment in equity shares have been determined based on discounted cash flow method (income approach)

(iii) The significant unobservable inputs used in level 3 fair value measurements are discount rates and long term growth rate. The carrying value of investment in DLF Utilities Limited is low and hence, 0.5% percentage change in the unobservable inputs used in the fair valuation of level 3 assets does not have a significant impact on carrying value.

(iv) Investment in Equity Shares

Particulars	Amount
As at March 31, 2017	21.31
Disposal of investments	(49.32)
Gain/(loss) recognised in other comprehensive income	(9.31)
Gain/(loss) recognised in profit or loss	37.32
As at March 31, 2018	-
Disposal of investments	-
Gain/(loss) recognised in other comprehensive income	-
Gain/(loss) recognised in profit or loss	-
As at March 31, 2019	-

(v) Financial instruments by category

Particulars	March 31, 2019			March 31, 2018		
	Level	Carrying value	Amortised cost	Level	Carrying value	Amortised cost
Financial assets						
Loans	Level 3	60.15	60.15	Level 3	60.15	60.15
Other financial assets	Level 3	-	-	Level 3	1,846.67	1,846.67
Total financial assets		60.15	60.15		1,906.82	1,906.82
Financial liabilities						
Borrowing, including interest	Level 3	52,509.65	52,509.65	Level 3	51,828.90	51,828.90
Security deposit	Level 3	5,000.55	5,000.55	Level 3	4,980.17	4,980.17
Total financial liabilities		57,510.20	57,510.20		56,809.07	56,809.07

The carrying amount of cash and cash equivalents, other bank balance, trade receivables, loans, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

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

30 Financial risk management

i) Financial instruments by category

Financial instruments carrying value represents the best estimates of fair values

Particulars	March 31, 2019	March 31, 2018
	Amortised cost	Amortised cost
Financial assets		
Trade receivables	786.92	606.77
Loans	81,140.39	75,551.90
Cash and equivalents	805.21	749.17
Fixed deposit (including interest accrued)	-	1,846.67
Other bank balances	7,222.09	2,093.87
Other financial assets	2,130.96	39.16
Total	92,085.57	80,887.54
Financial liabilities		
Borrowings including interest	52,509.65	51,828.90
Trade payable	718.78	1,068.47
Security deposit	5,000.55	4,980.17
Other financial liabilities	39.23	4.35
Total	58,268.21	57,881.89

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers & other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortised cost includes loans and advances, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

a) Credit risk management

i) Credit risk rating

The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

- A: Low credit risk on financial reporting date
- B: Moderate credit risk
- C: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Other financial assets	12 month expected credit loss/life time expected credit loss
High credit risk	Trade receivable	Life time expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets under credit risk –

Credit rating	Particulars	March 31, 2019	March 31, 2018
A: Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, other assets and other financial	92,085.57	80,887.54
B: Moderate credit risk	Other financial assets	-	-
C: High credit risk	Trade receivables	-	14.02



b) Credit risk exposure

Provision for expected credit losses

The Company provides for expected credit loss based on lifetime expected credit loss mechanism for financial assets –

March 31, 2019			
Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of provision
Trade receivables	786.92	-	786.92
Cash and cash equivalents	805.21	-	805.21
Other bank balance	7,222.09	-	7,222.09
Other financial assets	2,130.96	-	2,130.96
Loans	81,140.39	-	81,140.39

March 31, 2018			
Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of provision
Trade receivables	620.79	14.02	606.77
Cash and cash equivalents	749.17	-	749.17
Other bank balance	2,093.87	-	2,093.87
Other financial assets	1,885.83	-	1,885.83
Loans	75,551.90	-	75,551.90

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables has low credit risk as the Company holds security deposits equivalents ranging from three to six months rentals. Further historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible.

The credit risk for cash deposits with banks and cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due. The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation to these deposits.

Other financial assets being security deposits, investment and others are also due from several counter parties and based on historical information about defaults from the counter parties, management considers the quality of such assets that are not past due to be good.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The table below analyse the company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

March 31, 2019				
	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings including interest	53,487.72	-	-	53,487.72
Trade payable	718.78	-	-	718.78
Security deposits	649.38	4,735.82	1,727.07	7,112.27
Other financial liabilities	-	39.23	-	39.23
Total	54,855.88	4,775.05	1,727.07	61,358.00

March 31, 2018				
	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings including interest	5,722.50	56,356.81	-	62,079.31
Trade payable	1,068.47	-	-	1,068.47
Security deposits	2,064.52	2,236.01	2,506.58	6,797.11
Other financial liabilities	4.35	-	-	4.35
Total	8,859.84	58,582.82	2,506.58	69,949.24

C) 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 price risk. Financial instruments affected by market risk include fixed rate borrowings, fixed deposits and FVTOCI investments.

a) Interest rate risk

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

i) Liabilities

The company has only fixed rate borrowings which are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

ii) Assets

The company's fixed deposits, interest bearing security deposits and loans are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

31 Capital management

(a) Risk management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide a balance between financial flexibility and balance sheet efficiency. In determining its capital structure, the Company considers the robustness of future cash flows, potential funding requirements for growth opportunities and acquisitions, the cost of capital and ease of access to funding sources.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares of equity assets or reduce debt.

Particulars	March 31, 2019	March 31, 2018
Total Borrowings including interest accrued	52,509.65	51,828.90
Less: Cash and cash equivalent	(805.21)	(749.17)
Net debt	51,704.44	51,079.73
Total equity	68,133.20	58,360.28
Net debt to equity ratio	75.89%	87.52%



32 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

Particulars	March 31, 2019	March 31, 2018
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	17.41	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) 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 this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) 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	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. The same has been relied upon by the auditors.

33 **Segment reporting**

In line with the provisions of Ind AS 108 - operating segments and basis the review of operations being done by the senior Management, the operations of the Company fall under business of leasing of real estate activities. The Company operates within India and does not have operations in economic environments with different risks and returns. Hence, it is considered operating in single geographical segment.

34 CRISIL has reaffirmed its rating on the commercial mortgage backed securities ("CMBS") to CRISIL AA (SO)/(Stable) vide letter March 6, 2019 and ICRA has also reaffirmed its rating on CMBS to ICRA AA (SO) (Stable) vide letter dated November 22, 2018.

35 **Contingent liabilities**

Claim against the company not acknowledged as debts

Particulars	March 31, 2019	March 31, 2018
Income tax (Assessment year 2009-10)*	1,046.70	1,046.70
Income tax (Assessment year 2010-11) *	1,694.42	1,694.42
Income tax (Assessment year 2011-12) **	1,796.57	1,796.57
Income tax (Assessment year 2012-13) **	805.08	805.08
Service tax (for Financial Year 2007-08 to 2009-10)	767.07	767.07
Service tax (for Financial Year 2011-12)	60.76	60.76

(a) **Income Tax**

* In respect of Assessment Year 2009-10 and 2010-11, the Assessing Officer ("A.O") had disallowed the interest under section 24(b) of the Income Tax Act, 1961, the tax impact of which is ₹ 1,046.70 lacs and ₹ 1,694.42 lacs. The Company had filed an appeal before the Commissioner of Income Tax (Appeals) ("CIT(A)") who gave the order against the Company. The Company had further filed an appeal against the said order to Income Tax Appellate Tribunal ("ITAT") who has directed to the CIT(A) for issuing a fresh notice after verifying the facts, in accordance with law. The matter is currently pending with CIT (A).

** In respect of Assessment Year 2011-12 and 2012-13, the Assessing Officer ("A.O") had disallowed the interest under section 24(b) of the Income Tax Act, 1961, the tax impact of which is ₹ 1,796.57 lacs and ₹ 805.08 lacs. The Company had filed an appeal before the CIT(A) who gave the order in favour of the company. The department has preferred an appeal against the said order to ITAT.

Based on the discussions from independent tax experts/development on the appeals, the management believes that the Company has a good chance of success in above-mentioned matters and hence, no provision was considered necessary in these financial statements.

(b) **Service Tax**

During the earlier years, the Company received an order from Commissioner of Service tax demanding service tax liability amounting to Rs ₹ 827.83 lacs (which constitutes service tax liability amounting to ₹ 413.92 lacs along with 100% penalty amounting to ₹ 413.92 lacs) and interest thereon (Interest on liability may be determined as and when the service tax liability is actually finalized) on denial/recovery of Cenvat credit (being the credit of service tax paid on construction services) utilized against out put service(i.e. Rental Income for financial Year 2007-08 to 2009-10 and financial year 2011-12). The Company had filed an appeal along with stay application with respect to the aforesaid Commissioner of Service tax's order to higher authority i.e. Customs, Excise & Service Tax Appellate Tribunal (CESTAT). During the year ended March 31, 2016, CESTAT issued stay against the above said order and the matter is pending for hearing till the date of signing of financial statements.

Based on the discussions from independent tax experts/development on the appeals, the management believes that the Company has a good chance of success in above-mentioned matter and hence, no provision was considered necessary in these financial statements.

(c) **Guarantees**

There are no guarantees issued by Company on behalf of loan taken by others.

36 In respect of listed debt securities, company has maintained 100% asset cover, sufficient to discharge the principal amount at all times for the debt securities.

37 In the opinion of the board of directors, current assets and other financial assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provisions of all known liabilities have also been made.

38 All loans, guarantees and securities as disclosed in respective schedules/ notes are given for business purposes.

39 Estimated amount of commitments on capital account as on March 31, 2019 is ₹ 28.93 lacs (March 31, 2018 ₹ 28.53 lacs).

40 In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was required to spend a sum of ₹ 234.25 lacs (March 31, 2018: 219.00 lacs) towards CSR activities during the year ended March 31, 2019. The details of amount actually paid by the Company to DLF Foundation, DLF Qutab Enclave Complex Medical Charitable Trust, DLF Qutab Enclave Complex Education Charitable Trust.

Particulars	Amount Paid	Amount yet to be Paid	Total
March 31, 2019 :			
Donation made for construction/ acquisition of assets	-	-	-
Donation made for education, sanitation and healthcare activities	234.25	-	234.25
March 31, 2018 :			
Donation made for construction/ acquisition of assets	-	-	-
Donation made for education, sanitation, sports, and environment activities	219.00	-	219.00



- 41 The Company has given unsecured loans bearing interest of 11.50% per annum to group companies of DLF Limited amounting to ₹ 81,080.24 lacs (including interest recoverable of ₹ 12,262.49 lacs) as at March 31, 2019. Further, as per the terms of Share Purchase and Shareholders' Agreement (SPSIIA), DLF Limited had committed to repay these loans over a maximum period of 180 days from December 26, 2017 i.e. till June 24, 2018. The Company has entered into "Amended and Restated Loan Agreement" dated December 28, 2018 with the said borrowers wherein the latter has agreed to repay the loans till September 30, 2019.

Further, the parties have agreed that interest shall also be payable on the outstanding interest amounting to ₹10,244.77 lacs as at September 30, 2018. Further, in case of default in payment of quarterly interest within 15 days from the end of the relevant quarter, additional interest of 2% per annum shall be payable from last date of the relevant quarter till the date of payment.

Furthermore, rate of interest has been agreed to be enhanced to 14% per annum w.e.f. April 1, 2019 further pursuant to SPSIIA, DLF Limited has given corporate guarantee against these loans.

Considering the above, the Company believes that outstanding loans of ₹ 81,080.24 lacs as at year end are fully recoverable and no provision is deemed necessary against the same.

- 42 Information pursuant to clause 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Loans and advances in the nature of loans to subsidiaries / Associates/ Joint ventures/partnership firms/ others Status*	Status	Closing Balance		Maximum balance during the year	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
DLF Emporio Restaurants Limited	Fellow subsidiary	2,621.75	2,621.75	2,621.75	2,621.75
DLF Home Developers Limited	Fellow subsidiary	66,196.00	66,196.00	66,196.00	66,196.00

* excluding interest accrued.

42.1 There are no transactions of loans and advances to subsidiaries, associate firms/companies in which directors are interested.

42.2 There are no loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years or no interest or interest below the prevailing bank rate as per section 186 of the Companies Act 2013.

43 Related party disclosures

In accordance with Ind AS 24 "Related Party Disclosures" of the Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time), the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

i) Related parties where control exists

a) Ultimate holding company

DLF Limited (till December 25, 2017)

DLF Cyber City Developers Limited (w.e.f. December 26, 2017)

b) Holding Company

Richmond Park Property Management Services Limited (the immediate holding company)

DLF Cyber City Developers Limited (till December 25, 2017)

c) Entity having joint control over the ultimate holding company

DLF Limited (w.e.f. December 26, 2017)

Reco Diamond Private Limited. (w.e.f. December 26, 2017)

d) Additional related party as per The Companies Act, 2013

Holding company of the entity having joint control over the Company's holding company

Rajdhani Investments & Agencies Private Limited (ultimate holding Company w.e.f. March 12, 2018)

ii) Related parties with whom there were transactions during the year/ previous year

a) Ultimate holding company

DLF Limited (till December 25, 2017)

DLF Cyber City Developers Limited (w.e.f. December 26, 2017)

b) Holding Company

Richmond Park Property Management Services Limited (the immediate holding company)

DLF Cyber City Developers Limited (till December 25, 2017)

c) Entity having joint control over the holding company

DLF Limited (w.e.f. December 26, 2017)

d) Fellow subsidiary company

DLF Emporio Restaurants Limited (till December 25, 2017)

DLF Home Developers Limited (till December 25, 2017)

DLF Power & Services Limited

Lodhi Property Company Limited (till December 25, 2017)

DLF Recreational Foundation Limited (till December 25, 2017)

e) Subsidiary of entity having joint control over the holding company

DLF Home Developers Limited (w.e.f. December 26, 2017)

Lodhi Property Company Limited (w.e.f. December 26, 2017)

DLF Recreational Foundation Limited (w.e.f. December 26, 2017)

DLF Emporio Restaurants Limited (w.e.f. December 26, 2017)

f) Enterprises under the control of Key managerial personnel(KMP) of ultimate holding company or their relatives at any time during the year/ previous year

DLF Brands Limited (till December 25, 2017)

Rod Retail Pvt Limited (till December 25, 2017)

g) Key managerial personnel(KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year/ previous year

DLF Brands Limited (w.e.f. December 26, 2017)

Rod Retail Pvt Limited (w.e.f. December 26, 2017)

DLF Foundation (w.e.f. December 26, 2017)

DLF Qutab Enclave Complex Medical Charitable Trust (w.e.f. December 26, 2017)

DLF Qutab Enclave Complex Education Charitable Trust (w.e.f. December 26, 2017)

Mr. Raj Kumar Jain (Independent director)

Mr. Santosh Kumar Garg (Independent director)

Mr. Surinder Singh Chawla (Independent director)



(ii) The following transactions were carried out with related parties during the year:

Description	Ultimate Holding Company		Holding Company		Entity having joint control over the holding company		Fellow subsidiary companies		Subsidiary of entity having joint control over the holding company		Key managerial personnel (KMP) or enterprises under the control of KMP of ultimate holding company or their relatives at any time during the year		Key managerial personnel (KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year		Total	
	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)	Mar-19 (₹)	Mar-18 (₹)
Transactions during the year																
Rental Income																
DLF Emporio Restaurants Limited							165.08		238.49	50.56					238.49	234.58
DLF Brands Limited											9.82				9.82	
Road Retail Private Limited											54.26				74.37	72.35
Service Income																
DLF Power & Services Limited							311.94	323.56							311.94	323.56
DLF Emporio Restaurants Limited							267.19		381.77	97.51					381.77	364.78
Road Retail Private Limited											1.39				1.39	
DLF Brands Limited												13.04		2.88	13.04	11.95
Parking Income																
DLF Emporio Restaurants Limited							1.40		2.63	10.60					2.63	2.00
Interest Income																
DLF Emporio Restaurants Limited							227.16		324.86	74.34					324.86	301.59
DLF Home Developers Limited							5,236.65		8,176.64	1,877.06					8,176.64	7,413.71
Business promotion Income																
DLF Home Developers Limited									27.50						27.50	
Road Retail Private Limited																
Delayed Interest Income																
Road Retail Private Limited													2.41		2.41	
Business promotion charges																
DLF Emporio Restaurants Limited							17.17		49.17	2.70					49.17	19.87
Leodia Property Company Limited							3.13		2.48						5.61	
DLF Recreational Foundation Limited									0.34						0.34	
DLF Power & Services Limited																
Property tax recovered																
DLF Emporio Restaurants Limited							10.66		20.60						20.60	19.66
DLF Brands Limited											0.09				0.09	
Road Retail Private Limited											0.61				0.65	0.61
Finance expense																
DLF Emporio Restaurants Limited							33.42		33.58	13.33					33.58	46.75
DLF Brands Limited											4.09				4.09	
Electricity expenses																
DLF Power & Services Limited									72.90						72.90	
Unsecured loans (given)																
DLF Home Developers Limited							8,079.00									8,079.00
Bank Guarantee Charges																
DLF Limited							1.14								1.14	1.62
Electricity, fuel and water																
DLF Power & Services Limited							159.48								159.48	
Advertisement and publicity																
DLF Power & Services Limited							3.84								3.84	
Facility maintenance expenses																
DLF Power & Services Limited							1,674.74	1,223.48							1,674.74	1,223.48
Repair and maintenance - building																
DLF Power & Services Limited							21.75	62.75							21.75	62.75
Repair and maintenance - others																
DLF Power & Services Limited							115.93	130.07							115.93	130.07
Heating, ventilation and airconditioning																
DLF Power & Services Limited							478.00	451.01							478.00	451.01
Business support service charges																
DLF Power & Services Limited							88.13	100.50							88.13	100.50
CSR expense																
DLF Foundation													64.50	219.00	64.50	219.00
DLF Charitable Endow. Complex Charitable Trust												21.25			21.25	
DLF Charitable Endow. Complex Education Charitable Trust												148.50			148.50	
Director's expense																
Mr. Raj Kumar Jain												2.94			2.94	2.13
Mr. Sandeep Kumar Garg												2.80			2.80	2.40
Mr. Sumender Singh Chawla												2.40			2.40	2.80



(iv) Balance at year end

Description	Ultimate Holding Company		Holding Company		Entity having joint control over the holding company		Fellow subsidiary companies		Subsidiary of entity having joint control over the holding company		Key managerial personnel (KMP) or enterprises under the control of KMP of ultimate holding company or their relatives at any time during the year			Key managerial personnel (KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year			Total	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Balances at year end																		
Security deposits accepted																		
DLF Emporio Restaurants Limited									321.84	370.22							321.84	370.22
DLF Brands Limited															34.25			34.25
Deferred income																		
DLF Emporio Restaurants Limited									67.40	19.27							67.40	19.27
DLF Brands Limited																		
Unsecured loans (given)																		
DLF Emporio Restaurants Limited									2,621.75	2,621.75							2,621.75	2,621.75
DLF Home Developers Limited									66,196.00	66,196.00							66,196.00	66,196.00
Trade receivable																		
DLF Emporio Restaurants Limited									60.59	20.47							60.59	20.47
DLF Brands Limited																		
Rod Retail Private Limited																		
DLF Power & Services Limited																		
Trade payable																		
DLF Power & Services Limited									14.09								14.09	
DLF Emporio Restaurants Limited																		
Radia Property Company Limited																		
DLF Recreational Entertainment Limited																		
Interest accrued but not due (receivable)																		
DLF Emporio Restaurants Limited									484.70	271.35							484.70	271.35
DLF Home Developers Limited									11,777.79	6,402.35							11,777.79	6,402.35
Guarantee																		
DLF Annual																		
Share Capital																		
DLF Cyber Law Developers Limited	223.33	223.33															223.33	223.33
Redmond Park Property Management Services Limited			272.58	272.58													272.58	272.58



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2019

(All amounts in ₹ lacs, unless otherwise stated)

44 During the current year, the Company has charged the Common Area Maintenance ("CAM") revenue (included under the head "Revenue from Operations") from tenants on provisional basis, based on management's estimate of cost incurred. However, post the year-end, the Company will obtain an independent party certificate of actual expenditure incurred towards maintenance charges for the year ended March 31, 2019. The management believes that no material adjustments will arise in CAM revenue which will affect the current year financial statements.

45 During the previous year ended March 31, 2018, the Company has sold off their investments in equity shares, 120,000 shares of ₹ 10/- each, of DLF Utilities Limited at a sale price of ₹ 41.10/- each on the basis of its fair valuation report provided by a firm of chartered accountants, which has resulted in net profit of ₹ 37.32 lacs. The Company has accounted for the same as exceptional items in the statement of Profit & loss for the year ended March 31, 2018.

For the purpose of computation of tax liability under section 50CA and 56(2)(x) of the Income Tax Act, 1961, the management has relied on valuation carried by independent valuers and believes that the valuation is as per Rule 11 UA of the Income Tax Act, 1961. The management is of the opinion that aforesaid transactions are based on fair valuation of shares of the company and such transaction are at the arm's length price so that aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of the provision for taxation.

46 The listed Non-Convertible Debentures of the Company contains 5,250 secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 10 lacs each having coupon rate of 10.90% per annum payable on monthly rests amounting to ₹ 52,500.00 Lacs (reflected in Ind AS financial statements at ₹ 52,321.51 Lacs) as at March 31, 2019 are secured by way of pari-passu charge on the immovable property under the project "Emporio" located at Vasant Kunj, New Delhi, owned by the Company. As per the Debenture Trust Deed dated May 15, 2014, the final redemption date is November 21, 2021 and the date of redemption (based on early redemption date) is not earlier than May 21, 2019. Subsequent to year end the Company has exercised its right to early redemption of all its outstanding 10.90% NCD of ₹ 52,500.00 Lacs (reflected in Ind AS financial statements at ₹ 52,321.51 Lacs) on May 22, 2019 by issuing early redemption notice dated April 18, 2019 to Axis Trustee Services Limited (Debenture Trustee). The management is in advanced discussion with other lenders to refinance the said loan and expect to meet its obligation to Debenture Holders as it falls due.

47 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard:

Ind AS 116- Leases

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

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.


Lessor will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. As per Ind AS 116, a lessor shall recognize lease payments from operating leases as income on either a straight-line basis or another systematic basis unlike Ind AS 17, where straight-lining of lease escalations was not required in case the escalations were in line with the expected general inflation and were compensating the lessor for expected inflationary cost.

The ultimate impact on revenue resulting from the application of Ind AS 116 will be subject to assessments that are dependent on terms of the contractual arrangements. The Company has established an implementation team to implement Ind AS 116 related to the recognition of lease revenue and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.

48 The figures of the previous year have been reclassified/ regrouped for better presentation in the financial statements and to conform to the current year's classifications/ disclosures. This does not have any impact on the profits and hence no change in the basic and diluted earnings per share of previous year.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/ E300005


per Amit Gupta
Partner
Membership Number: 501396



For and on behalf of the Board of Directors
DLF Emporio Limited


Dinaz Madhukar
Director
DIN - 03453167


Prashant Gaurav Gupta
Director & Manager
DIN: 07951272


Hari Krishan Bansal
Chief Financial Officer


Anuj Kushwaha
Company Secretary
Membership Number- A52027

Place : Gurugram
Date : May 03, 2019

Place : Gurugram
Date : May 03, 2019

