



19th

ANNUAL REPORT

2017-18

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. Anupam Sharma
Non Executive Director
(DIN – 05234238)

Mr. Manoj Kumar Dua
Non Executive Director
(DIN – 02794998)
(appointed w.e.f. 05.08.2017)

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)

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
(appointed w.e.f. 08.08.2017)

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 – 400 025.

Statutory Auditors

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

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Regd. Office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122 002
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Tel No: 0124-4778121, Fax No: 0124-4057414, E-mail: dlfemporio@dlf.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 19TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON FRIDAY, 31ST AUGUST 2018 AT 10:00 A.M. AT REGISTERED OFFICE OF THE COMPANY AT SHOPPING MALL, PHASE – I, DLF CITY, GURUGRAM – 122 002 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the financial year ended 31st March 2018 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Dinaz Madhukar (**DIN- 03453167**), who retires by rotation and being eligible, offers herself 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 Sections 2(51), 2(53), 196, 197, 203 read with Schedule V and/or any other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and the rules made thereunder, as amended (“the Act”) and such other approvals, if any, consent of the members be and is hereby accorded to the appointment of Mr. Prashant Gaurav Gupta, as “Manager” of the Company for a period of 3 (three) years with effect from 16th May 2018, without any remuneration.

RESOLVED FURTHER THAT in terms of Section 2(53) of the Act, Mr. Prashant Gaurav Gupta, Manager, subject to the superintendence, control and direction of the Board shall have the management of the whole, or substantially the whole, of the affairs of the Company.

RESOLVED FURTHER THAT the Board of Directors, (including any committee thereof) be and is hereby authorized to do all such acts, deeds and things including entering into such agreement(s), deed(s) or any such document(s)

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as the Board may, in its absolute discretion, consider necessary, expedient or desirable including to sub-delegate all or any of the powers herein conferred on it, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company."

By order of the Board of Directors
For DLF Emporio Limited

Date : 16.05.2018
Place : Gurugram

Anuj Kushwaha
(Anuj) Kushwaha
Company Secretary

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 (2017-18) is being sent to all the persons who are entitled to receive the same. Hard copy of the Annual Report

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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.
9. The Company has appointed Mr. Harsh Oberoi, Company Secretary 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.
11. The requirement to place the matter relating to ratification of appointment of Auditors by the members at every Annual General Meeting has been done away by the Ministry of Corporate Affairs, New Delhi vide its notification dated 7th May 2018. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 18th Annual General Meeting of the Company held on 28th September 2017.

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STATEMENT

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

Item No. 3

The Board of Directors of the Company (the 'Board'), at their meeting held on 16th May 2018, had subject to the approval of Members, appointed Mr. Prashant Gaurav Gupta, as the Manager of the Company in terms of the provisions of Section 196, 197, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and the rules made thereunder, as amended ("the Act"), provisions of other applicable laws and such other approvals, if any, for a period of 3 (three) years with effect from 16th May 2018 without any remuneration.

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 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.
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
Relationship with other Directors and other KMP(S)	NIL
Number of Board Meetings attended during the year (Financial Year 2017-18)	N.A.
Other Directorship(s)	NIL
Committee Positions in other Companies	NIL

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Mr. Gupta satisfies all the conditions as set out in Schedule V to the Act for being eligible for appointment as a Manager of the Company.

In terms of Section 2(53) of the Act, Mr. Gupta, subject to the superintendence, control and direction of the Board shall have the management of the whole, or substantially the whole, of the affairs of the Company.

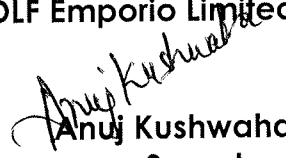
In terms of the provisions of Section 2(51) of the Act, Mr. Gupta may be designated as Key Managerial Personnel (KMP) and shall perform such functions as may be necessary under the Act or rules made thereunder or as assigned to him by the Board from time to time.

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

16.05.2018
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 19th Annual General Meeting of the Company, to be held on **Friday, 31st August 2018 at 10:00 A.M. at Registered Office of the Company at Shopping Mall, Phase – I, DLF City, 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 2018 together with Reports of Board of Directors and Auditors thereon.			
2.	Re-appointment of Ms. Dinaz Madhukar as Director, who retires by rotation.			
3.	Appointment of Mr. Prashant Gaurav Gupta as the Manager of Company.			

Signed this day of..... 2018.

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

19th Annual General Meeting – Friday, 31st August 2018

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 **Friday, 31st August 2018 at 10:00 A.M. at Registered Office of the Company at Shopping Mall, Phase – 1, DLF City, Gurugram – 122 002** 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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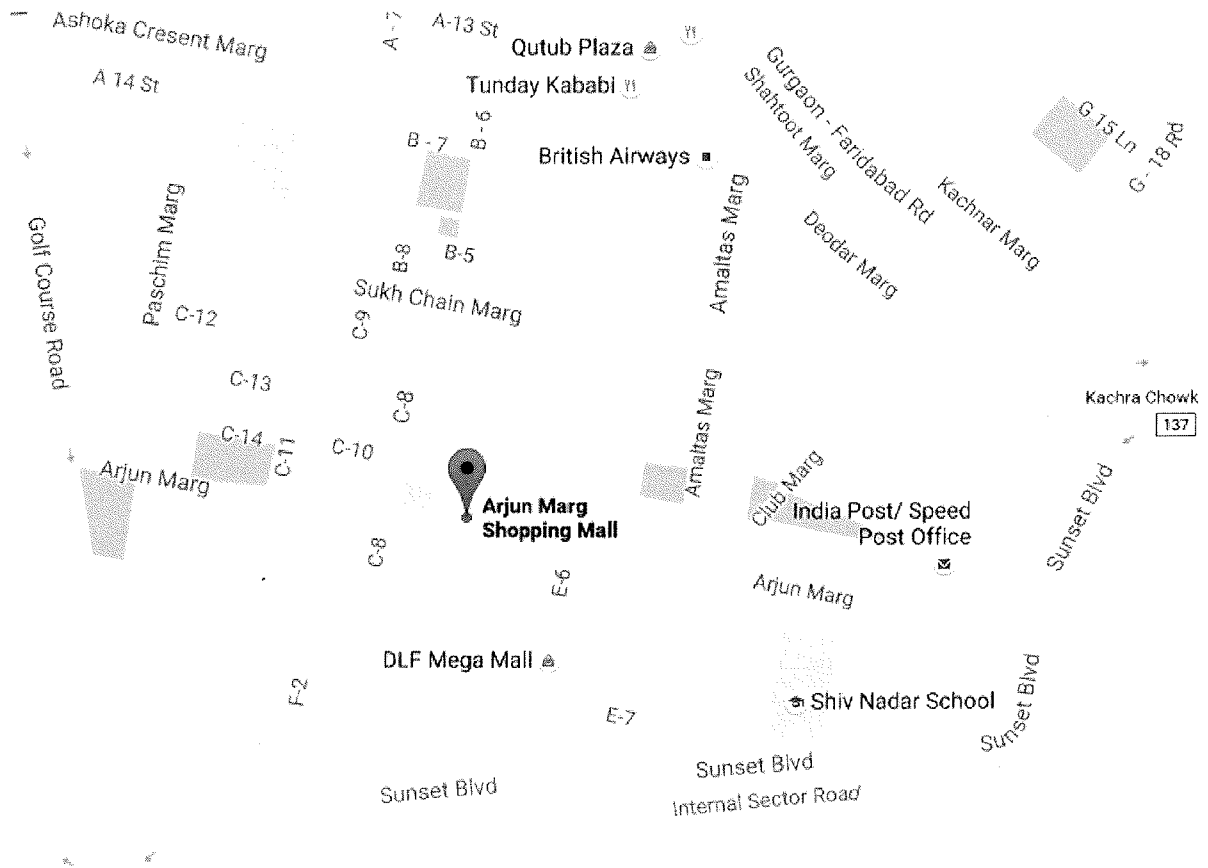
Details of the Director seeking re-appointment at the Annual General Meeting

Name of Director	Ms. Dinaz Madhukar
Age	54 Years
Qualifications	B.Com., LLB and Gen. Management Course
Experience	Ms. Madhukar has an extremely rich and sound understanding of the luxury industry. She had spent 24 years with the Taj Group of Hotels, a part of the prestigious Tata Group of Companies. She is having rich experience and expertise in mall management and hospitality business. Currently, she has been associated with DLF Retail portfolio since 2010.
Terms and Conditions	Director liable to retire by rotation.
Details of remuneration sought to be paid	Remuneration- N.A.
Date of first appointment on the Board	29.07.2011
Shareholding in the Company	Nil
Relationship with Other Directors and other KMP(s)	Nil
Number of Board Meetings attended during the year (2017-18)	6 (Six)
Other Directorship(s)	DLF Emporio Limited; Lodhi Property Company Limited; Riveria Commercial Developers Limited; Richmond Park Property Management Services Limited; and DLF Builders & Developers Private Limited.
Committee Positions in other Companies	Nil

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ROUTE MAP OF ANNUAL GENERAL MEETING VENUE



LOCATION MAP OF SHOPPING MALL, PHASE-I, DLF CITY, GURUGRAM,
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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 19th Annual Report on the business and operations of the Company together with the audited financial results for the financial year ended 31st March 2018.

Financial Results

	(₹ in Lakh)	
	2017-18	2016-17
Total income from operations	23,295.15	23,001.84
Total Expenses	11,799.02	11,070.54
Profit before exceptional item and tax	11,496.13	11,931.30
Exceptional item	37.32	-
Profit before tax	11,533.45	11,931.30
Less: Tax Expenses		
Current tax	3,649.79	2,679.86
Minimum alternate tax credit	-	1,053.36
Deferred tax credit	(510.87)	(103.80)
Net Profit	8,394.53	8,301.88

Review of Operations

During the FY 2017-18, income from operations has been increased by 1.28% from ₹ 23,001.84 lakh (previous year) to ₹ 23,295.15 lakh due to increase in rental income, parking income, interest income and income from promotional & advertisement activities carried out by the Company. The expenses of the Company increased by 6.58% from ₹ 11,070.54 lakh (previous year) to ₹ 11,799.02 lakh due to increase in expenses incurred on common area maintenance/HVAC (heating, ventilation and air-conditioning). The exceptional item was due to profit arising from sale of investment held in DLF Utilities Limited, a fellow subsidiary Company to DLF Limited, the holding Company. The net profit of the Company stood at ₹ 8,394.53 lakh an increase of 1.11% against ₹ 8,301.88 lakh (previous year). The basic & diluted EPS for the FY 2017-18 is ₹ 169.28/- as compared to ₹ 167.41/- 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, space & aesthetics are the signatures of this spectacular offering. It is here, under one elegant roof, where a wealth of designer & luxury brands, exquisite lifestyle products and services are showcased in all their glory. DLF Emporio has been conceptualized and designed to offer an exquisite luxury shopping

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experience for its esteemed customers. Currently there are over 42 International brands and 55 Indian designers, 4 Restaurants and 1 International Salon present in this generous space.

DLF Emporio has been a pioneer in the Luxury Industry in India. We are known to create higher customer experience benchmarks & quality standards within the industry. As a testimonial of our commitment to our customers & tenants, DLF Emporio has been adjudged as the "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 "**5 Star rating in Occupational Health and Safety**" by British Safety Council. ICE Awards has awarded our in-house magazine "The Wedding Issue 2014" amongst the top 100 magazines of the country and a "Certificate of Merit" to "The Festive Issue 2015". In addition to this, DLF Emporio has just received "Most Admired Shopping Centre of the Year: Luxury" at IMAGES Shopping Centre Awards 2018.

Future Outlook

The retail industry is an experiential motley that is currently going through a robust transformation. Be it employing new technologies or exploring new store formats, revamping business strategies or creating personal experiences; retailers are indeed getting ready for the future by looking beyond conventional retail and evolving along with their modern consumers. This variety of experience will be the key inflection point for success of malls, with food and beverages and entertainment facilities increasing in importance. Innovative developers are introducing new entertainment options in the malls and retailers are trying to merge online experiences with offline one to enhance customer's experience.

India's luxury market is expected to grow, due to growing exposure of international brands amongst Indian youth and higher purchasing power. However, in spite of 100% FDI in retail being opened, international brands are still preferring to enter the market through partnerships and not through complete FDI. Luxury retail remains Two City Market i.e. Delhi & Mumbai.

The current year will see an inflation of business ecosystems joining forces not just to deliver the best to their consumers, but to gain a competitive advantage as well. This will help retailers expand their horizon, enable them to seize more opportunities and create their own unique ecosystem; thus providing a more thriving shopping delightful for customers.

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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 ₹ 3,074.22 lakh (₹ 1,748.40 lakh for the FY 2016-17) to Debenture Redemption Reserve towards redemption of redeemable non-convertible debentures.

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 14th November 2017.

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CRISIL Ltd. has reaffirmed the rating '**CRISIL AA (SO)/Stable**' on the CMBS, vide letter dated 6th March 2018.

Fixed Deposits

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

Holding Company

During the financial year under review, DLF Cyber City Developers Limited ("DCCDL") and DLF Limited ("DLF") (the holding Companies), Rajdhani Investments & Agencies Private Limited, Buland Consultants & Investments Private Limited and Sidhant Housing and Development Company, (promoter group entities of DLF Limited) and Reco Diamond Private Limited, an affiliate of GIC (Realty) Pte. Ltd. entered into a Share Purchase and Shareholders Agreement on 27th August 2017 (hereinafter referred to as "**SPSHA**").

During the period under review, Galleria Property Management Services Private Limited, fellow subsidiary Company ("Galleria"), Kirtiman Builders Limited ("Kirtiman") and Ujagar Estates Limited ("Ujagar") were holding 0.11% (aggregating 5,748 equity shares of ₹ 10/- each), Richmond Park Property Management Services Limited, the holding Company ("Richmond") and DCCDL were holding 54.97% and 44.92% respectively (aggregating 49,53,252 equity shares of 10/- each) of the paid-up equity share capital of the Company.

During the financial year under review, in terms of SPSHA, DCCDL had acquired 0.11% (i.e. 5,748 equity shares of ₹ 10/- each) of the equity share capital of the Company from Galleria, Kirtiman and Ujagar on 30th November 2017 and consequent to the aforesaid acquisition of equity shares and Richmond already being a wholly owned subsidiary ("WOS") of DCCDL, your Company became a WOS of DCCDL w.e.f. 30th November 2017.

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.

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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 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;

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- (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'.

Number of Meetings of the Board

During the financial year under review, the Board met 6 (six) times i.e. on 22nd May, 5th August, 2nd November, 30th November & 22nd December 2017 and 31st January 2018 as per the under noted attendance. The maximum interval between any two meetings was 90 days. The requisite quorum was present in all the meetings:-

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Ms. Dinaz Madhukar	Director	6	6

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2.	Mr. Manoj Kumar Dua (appointed w.e.f. 5 th August 2017)	Director	4	4
3.	Mr. Santosh Kumar Garg	Independent Director	6	6
4.	Mr. Surinder Singh Chawla	Independent Director	6	6
5.	Mr. Raj Kumar Jain	Nominee Director	6	6
6.	Mr. Anupam Sharma	Director	6	6
7.	Mr. Vivek Jhunjunwala (Resigned w.e.f. 1 st July 2017)	Director	1	1

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

During the financial year 2017-18, five meetings of the Audit Committee was held on 22nd May, 5th August, 2nd November & 30th November 2017 and 31st January 2018 as per the under noted attendance. The maximum interval between any two meetings was 90 days. The requisite quorum was present in all the meetings:-

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

The Board has accepted all recommendations of the Audit Committee.

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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 Directors and employees, if any and take steps to resolve the issues amicably/take appropriate action against offenders and report the same to the Audit committee.

Nomination and Remuneration Committee (NRC)

The NRC consists of the following members:

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

The Board of Directors vide their resolution dated 22nd May 2017 had adopted the revised Evaluation Format and amended the "Nomination and Remuneration Policy" of the Company.

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;

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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 Independent Directors and the Board;
 7. Devising a policy on Board diversity; and
 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 2017-18, one meeting of the Nomination and Remuneration Committee was held on 3rd August 2017, the attendance of which is as under and requisite quorum was present in the meeting:-

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

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>.

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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 2017-18, two meetings of the Corporate Social Responsibility Committee were held on 5th August 2017 and 31st January 2018, the attendance of which is as under and requisite quorum was present in all the meetings:-

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

During the financial year under review, the Company has made significant investments in community welfare initiatives for the underprivileged through education, sports, environment, sanitation, capacity building and rural-centric interventions through DLF Foundation. The Company spent the entire sum of ₹ 2.19 Crore as entitled towards CSR activities/ projects/ programs for the FY 2017-18 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 depicting the expenditure incurred by DLF Foundation out of ₹ 2.19 Crore contributed by the Company is annexed as **Annexure-B**.

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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.

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.

Secretarial Audit

The Board had appointed AS & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31st March 2018 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, Ms. Rupa Agarwal had resigned from the office of Company Secretary of the Company w.e.f. 10th June 2017 and Mr. Vivek Jhunjunwala had resigned from the office of Director of the Company with effect from 1st July 2017. The Board took note of the contribution made by Mr. Vivek Jhunjunwala, 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 appointed Mr. Manoj Kumar Dua as an Additional Director with effect from 5th August 2017.

The resolution pertaining to appointment of Mr. Manoj Kumar Dua was placed before the members for their approval in the Annual General Meeting held on 28th September 2017. The same had been confirmed by the members in the Annual General Meeting.

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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, Ms. Dinaz Madhukar, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommended her re-appointment.

The Board of Directors in their meeting held on 5th August 2017, had appointed Mr. Anuj Kushwaha as Company Secretary of the Company w.e.f. 8th August 2018.

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.

During the financial year under review, Mr. Anupam Sharma, 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.

Mr. Anupam Sharma, Director & Manager has resigned as Manager of the Company w.e.f. 16th May 2018 and shall continue as a Director of the Company. Mr. Prashant Gaurav Gupta on the recommendation of Nomination and Remuneration Committee was appointed by the Board as a Manager of the Company w.e.f. 16th May 2018. The resolution pertaining to his appointment as Manager of the Company is being placed before the members for their approval in the ensuing Annual General Meeting of the Company.

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.

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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.

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

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has devised criteria for evaluation of the performance of Directors including Independent Directors. The Board has carried out the annual performance evaluation of its own performance, its Committees and Directors. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of

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specific duties and obligations & compliance management etc. Separate exercise was carried out to evaluate the performance of Non-executive Directors on parameters such as experience, attendance, acquaintance with the business, effective participation, vision and strategy, contribution and independent judgment.

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.

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Accolades

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

- I. **“DLF Emporio Mall”** had received **“IISM Security & Safety Excellence Award 2017”** in the category **“Industrial Sector Safety Award Retail & Mall Industry”** from the Board of Governors of IISM for outstanding performance in employee safety, safe work procedures and environment.
- II. **“DLF Emporio Mall”** had received **“IISM Security & Safety Excellence Award 2017”** in the category **“Fire Safety Excellence Award”** from the **Board of Governors of IISM** for outstanding corporate commitment to fire safety and exemplary initiatives taken as business ethics and obligation for providing safe malls and retail facilities.
- III. **“DLF Emporio Mall”** had received **“IISM Security & Safety EXCELLENCE Award 2017”** in the category **“Safety Culture Excellence Award”** from the **Board of Governors of IISM** for outstanding corporate commitment to promotion of safety culture environment.
- IV. **“DLF Emporio Mall”** had received **“IISM Security & Safety Excellence Award 2017”** for corporate commitment to promotion of fire safety at the **IISM Global Conclave 2017**.

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

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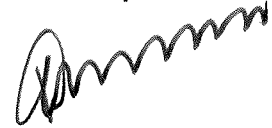
Acknowledgement

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



Manoj Kumar Dua
(Director)
DIN: 02794998



Dinaz Madhukar
(Director)
DIN: 03453167

Date : 16.05.2018
Place: Gurugram

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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;	Change of basement fluorescent tube light fixtures to LED.
(ii)	The steps taken by the company for utilizing alternate sources of energy;	Rooftop 12KW Solar panel installation & Green Energy from open access.
(iii)	The capital investment on energy conservation equipments;	NIL

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 ₹)

		2017-18	2016-17
(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



Manoj Kumar Dua
(Director)
DIN: 02794998



Dinaz Madhukar
(Director)
DIN: 03453167

Date : 16.05.2018
Place: Gurugram

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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. 109.43 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 2.19 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. 2.19 Crores</p> <p>Nil</p> <p>As detailed below</p>

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(₹ in Lakh)

DETAILS OF EXPENDITURE

Sl. No	Program me 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) proje ct or programs wise	Amount spent on the projects or programs		Cumulative Expenditure up to the reporti ng period	Amount spent: Direct or through implementin g agency	Reasons for not spending the allotted budget
						Direct expen diture on projec ts or programmes	Overh eads			
1.	Educati on Promoti on Program me	Promotion of Education through Govt School adoption	Education	Noida (U.P.)	36.40	7.60	0.30	7.90	DLF Foundation	Due to some local issues, activity started late and thus could not be complete d by 31 st March 2018. Balance activities will be complete d in FY 2018-19.
2.	Swacch Program me	Sanitation	Sanitation	PAN India	20.80	22.41	0.90	23.31	DLF Foundation	-




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3.	Education Promotion Programme	Promotion of Education through Govt. School adoption	Education	Tikli (Haryana), Dwarka (New Delhi)	61.44	49.85	1.99	51.84	DLF Foundation	Expenditure was lower due to non happening of one schedule activity and also due to optimization of project cost.
4.	Rural Development	Sports Stadium Facility	Sports	Tikli (Haryana)	22.88	21.71	0.87	22.58	DLF Foundation	-
5.	Environment Sustainability	Rainwater Harvesting	Environment	Gurgaon (Haryana)	4.75	4.40	0.18	4.58	DLF Foundation	-
6.	Swacch Programme	Sanitation & Waste Management	Sanitation	Okhla (New Delhi)	37.89	40.18	1.61	41.79	DLF Foundation	-
7.	Education Promotion Programme	Promotion of Education through Mass awareness on Gurgaon Rejuvenation	Education	Gurgaon (Haryana)	5.20	1.40	0.06	1.46	DLF Foundation	Expenditure was lower due to non-happening of no of planned awareness workshops.
8.	Protection of Flora & Fauna Programme	Wildlife preservation in Forests	Environment	Gurgaon (Haryana)	28.08	0.00	0.00	0.00	DLF Foundation	Since the project was to be carried out in the forest area, certain clarifications from the Forest Department were pending related to identification of locations


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										for water ponds and plantation activity pending which project could not be initiated during FY 2017-18.
9.	Social Support Programme	E-rickshaw to handicapped & disabled	Environment	Gurgaon (Haryana)	1.56	1.50	0.06	1.56	DLF Foundation	-
Total					219	149.05	5.97	155.02		-

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


Mr. Anupam Sharma
 (Director)
 DIN: 05234238


Mr. Raj Kumar Jain
 (Chairman CSR Committee)
 DIN: 00026544

AS & ASSOCIATES
COMPANY SECRETARIES

Office: 215, Suneja Tower-II, District Centre, Janak Puri, New Delhi-110058
Tel. +91-9810135408
Email;anilsetia_cs@rediffmail.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

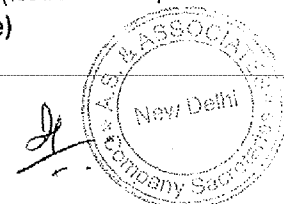
To,
The Members,
M/s DLF Emporio Limited
(CIN: U74920HR1999PLC034168)
Shopping Mall, Phase- 1, DLF City,
Gurugram, Haryana-122002.

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, 2018** 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, 2018 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, 2009; **(Not Applicable)**



AS & ASSOCIATES
COMPANY SECRETARIES

Office: 215, Suneja Tower-II, District Centre, Janak Puri, New Delhi-110058
Tel. +91 9810135408

Email;anilsetia_cs@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, 1998; and **(Not Applicable)**
 - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
- (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);

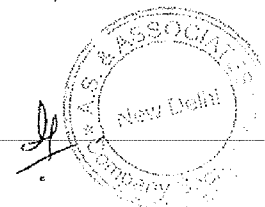
There was no activity to be reported under the SCRA, Depositories Act, FEMA and the rules made thereunder. Only debt securities of the Company are listed on BSE as such, provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 are not applicable per se. Further as confirmed by the management, 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 and Standards, etc. as 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.



AS & ASSOCIATES

COMPANY SECRETARIES

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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.

Place: New Delhi

Date: May 16, 2018

Signature: 

For A S & 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 31.03.2018
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, Fax No: 0124-4057414 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: Kary Computershare Private Limited Kary 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

Sl No.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	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%	Sec2(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	49,56,502	-	49,56,502	99.95	49,59,000	-	49,59,000	100.00	0
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	49,56,502	-	49,56,502	99.95	49,59,000	-	49,59,000	100.00	0
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
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)	49,56,502	-	49,56,502	99.95	49,59,000	-	49,59,000	100.00	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
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	2,498	-	2,498	0.05	-	-	-	-	-
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):	2,498	-	2,498	0.05	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	2,498	0	2,498	0.05	-	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			% change in share holding during 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	
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	22,27,502	44.93	44.93	22,33,250	45.04	45.04	0.11
3	Galleria Property Management Services Private Limited	3,250	0.06	0.06	-	-	-	-
	Total	49,56,502	99.95	99.95	49,59,000	100.00	100.00	0.11

(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	49,56,502	99.95	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)	-	-	DLF Cyber City Developers Limited, the holding Company had acquired 5,748 Equity Shares of Rs.10/-each from Galleria Property Management Services Private Limited, a fellow subsidiary Company, Kirtimaan Builders Limited and Ujagar Estate Limited on 30th November 2017.	
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 Kirtimaan Builders Ltd.	1,498	0.03	Nil	Nil
	ii Ujagar Estate Limited	1,000	0.02	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 Kirtimaan Builders Ltd.	-	-	Kirtimaan Builders Limited had transferred the 1,498 Equity Shares of Rs. 10 each to DLF Cyber City Developers Limited on 30th November, 2017.	
	ii Ujagar Estate Limited	-	-	Ujagar Estate Limited had transferred the 1,000 Equity Shares of Rs. 10 each to DLF Cyber City Developers Limited on 30th November, 2017.	
2	At the end of the year (or on the date of separation, if separated during the year)				
	i Kirtimaan Builders Ltd.	-	-	Nil	Nil
	ii Ujagar Estate Limited	-	-	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

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	-	2,40,000	2,80,000	5,20,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	-	2,40,000	2,80,000	5,20,000
2	Other Non Executive Directors	Mr. Raj Kumar Jain (Nominee Director)	-	-	-
	(a) Fee for attending board/ committee meetings	1,60,000	-	-	1,60,000
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)	1,60,000	-	-	1,60,000
	Total (B)=(1+2)				6,80,000
	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	-	-	-	-

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

no e m

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	-	-	-	-


VII

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

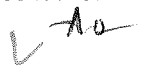
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty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

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


Manoj Kumar Dua
Director
DIN- 02794998


Dinaz Madhukar
Director
DIN- 03453167

Date: 16.05.2018
Place: Gurugram



INDEPENDENT AUDITOR'S REPORT

To the Members of DLF Emporio Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of DLF Emporio Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) (Amendment) Rules 2017. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those Ind AS financial statements on May 22, 2017.

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 I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) (Amendment) Rules 2017;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 36 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.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

- 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

ICAI Firm Registration Number: 301003E/E300005


per ~~Amit Gupta~~
Partner

Membership Number: 501396



Place: Gurugram

Date: May 16, 2018

Annexure I 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 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.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

(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 (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1,046.70	Assessment Year 2009-10	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	1,694.42	Assessment Year 2010-11	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	1,796.57	Assessment Year 2011-12	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	805.08	Assessment Year 2012-13	Commissioner of Income Tax (Appeal)
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 a debenture holders. The Company did not have any loans or borrowing in respect of a 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 by way of initial public offer / further public offer / debt instruments and term loans during the current year and 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) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) 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(xi) 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.



S.R. BATLIBOI & Co. LLP

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 45-1A 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 16, 2018

ANNEXURE 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, 2018 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 with reference to these Ind AS financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per Amit Gupta

Partner

Membership Number: 501396



Place: Gurugram

Date: May 16, 2018

DLF Emporio Limited
Balance Sheet as at March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	March 31, 2018	March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment			
Investment property	3	-	0.05
Financial assets	4	37,710.68	38,500.89
Investments			
Loans	5	-	21.31
Other financial assets	6	60.15	2,678.51
Income tax assets (net)	7	1,846.67	1,735.39
Other assets	8	1,313.20	1,215.24
	9	28.53	-
		<u>40,959.23</u>	<u>44,151.39</u>
Current assets			
Financial assets			
Trade receivables			
Cash and cash equivalents	10	606.77	676.60
Other bank balances	11	749.17	1,284.97
Loans	12	2,093.87	1,027.80
Other financial assets	6	75,491.75	64,046.09
Other assets	7	39.16	19.11
	9	340.69	262.38
		<u>79,321.41</u>	<u>67,316.95</u>
		<u>1,20,280.64</u>	<u>1,11,468.34</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital			
Other equity	13	495.90	495.90
Total equity	14	57,864.38	49,477.06
		<u>58,360.28</u>	<u>49,972.96</u>
Non-current liabilities			
Financial Liabilities			
Borrowings			
Other financial liabilities	15	51,640.76	51,193.77
Deferred tax liabilities (net)	16	3,238.35	2,823.07
Deferred revenue	17	2,225.66	2,738.64
	18	1,256.81	916.57
		<u>58,361.58</u>	<u>57,672.05</u>
Current liabilities			
Financial Liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises			
Other financial liabilities		1,068.47	872.89
Deferred revenue	20	1,934.31	2,347.90
Other current liabilities	18	408.34	447.16
	21	147.66	155.38
		<u>3,558.78</u>	<u>3,823.33</u>
		<u>1,20,280.64</u>	<u>1,11,468.34</u>
TOTAL EQUITY AND LIABILITIES			
Summary of significant accounting policies			
The accompanying notes form an integral part of these financial statements.			

Summary of significant accounting policies

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

2

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



Place : Gurugram
Date : May 16, 2018

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

Anurag Sharma
Director
DIN - 05234238

Hari Krishan Bansal
Chief Financial Officer

Place : Gurugram
Date : May 16, 2018

Dinaz Madhukar
Director
DIN - 03453167

Anil Kushwaha
Company Secretary
Membership Number: A52027

Prashant Gaurav Gupta
Manager



DLF Emporio Limited
Statement of Profit and Loss for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	March 31, 2018	March 31, 2017
Revenue			
Revenue from operations			
Other income	22	15,620.57	15,174.03
Total income	23	<u>7,674.58</u>	<u>7,827.81</u>
		<u>23,295.15</u>	<u>23,001.84</u>
Expenses			
Finance costs			
Depreciation expense	24	6,695.22	6,463.88
Other expenses	25	790.26	784.91
Total expenses	26	<u>4,313.54</u>	<u>3,821.75</u>
		<u>11,799.02</u>	<u>11,070.54</u>
Profit before exceptional items and tax			
Exceptional items (refer note 42)		11,496.13	11,931.30
Profit before tax		37.32	-
Tax expense		11,533.45	11,931.30
Current tax	27		
Minimum alternate tax credit		3,649.79	2,679.86
Deferred tax credit		-	1,053.36
Profit after tax		<u>(510.87)</u>	<u>(103.80)</u>
		<u>8,394.53</u>	<u>8,301.88</u>
Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss			
Fair valuation gain/ (loss) on investment in equity instrument	28		
ii) Income tax relating to items that will not be reclassified to profit or loss		(9.31)	3.85
Total Comprehensive Income for the year		<u>2.11</u>	<u>(0.89)</u>
		<u>8,387.33</u>	<u>8,304.84</u>
Earnings per equity share (Face value of ₹ 10 per share [March 31, 2017 : ₹ 10])	29		
Basic		169.28	167.41
Diluted		169.28	167.41
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.: 3010031E/ E300005

per Amit Gupta
Partner
Membership Number: 501396



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

Anupam Sharma
Director
DIN - 05234238

Hari Krishan Bansal
Chief Financial Officer

Place : Gurugram
Date : May 16, 2018

Dinaz Madhukar
Director
DIN - 03453167

Anuj Kushwaha
Company Secretary
Membership Number: A52027



Prashant Gaurav Gupta
Manager

DLF Emporio Limited
Statement of Cash Flow for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2018	March 31, 2017
A. Cash flow from operating activities		
Net Profit before tax and Other Comprehensive Income		
Adjustment for:	11,533.45	11,931.30
Interest expense		
Amount forfeited on properties	6,169.50	5,923.85
Unclaimed balances written back	(20.25)	(19.02)
Depreciation expense	14.99	20.17
Gain on sale of investment	790.26	784.91
Financial assets measured at amortised cost (net)	(37.32)	-
Financial liability measured at amortised cost (net)	-	(24.77)
Loss on pre settlement of financial liability	(42.05)	(8.69)
Interest income	4.78	10.82
Operating profit before working capital changes	(7,655.29)	(7,776.74)
Adjustment for change in working capital:	10,758.07	10,841.83
Decrease / (increase) in trade receivables		
Decrease / (increase) in financial and other current assets	69.83	(48.67)
Increase / (decrease) in trade payables	(81.70)	9.24
Increase / (decrease) in financial other liabilities	195.58	428.75
Cash flow from operations	330.90	(177.52)
Income tax paid (net of refunds)	11,272.68	11,053.63
Net cash flow from operating activities	(3,740.75)	(2,768.40)
	7,531.93	8,285.23
B. Cash flow from investing activities		
Purchase of investment property		
Loan given to related parties	(28.53)	(30.56)
Investment in other bank balances	(8,970.00)	(8,250.00)
Investment in bank deposits (net)	(111.28)	(148.84)
Proceed from sale of investments	(1,066.07)	(421.38)
Interest received	49.32	-
Net cash used in investing activities	7,781.33	7,002.33
	(2,345.23)	(1,848.45)
C. Cash flow from financing activities		
Repayment of Preference Share capital		
Interest paid	-	(4.10)
Net cash used in financing activities	(3,722.50)	(5,707.45)
	(5,722.50)	(5,711.55)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(555.80)	725.23
Cash and cash equivalents at the beginning of the year	1,284.97	559.74
Cash and cash equivalents at the end of the year (refer note 11)	749.17	1,284.97

Summary of significant accounting policies

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

2


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




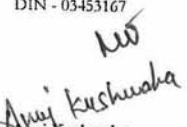
For and on behalf of the Board of Directors of
DLF Emporio Limited


Anupam Sharma
Director
DIN - 05234238


Dinaz Madhukar
Director
DIN - 03453167


Prashant Gaurav Gupta
Manager


Hari Krishan Bansal
Chief Financial Officer


Anuj Kushwaha
Company Secretary
Membership Number: A52027

Place : Gurugram
Date : May 16, 2018

Place : Gurugram
Date : May 16, 2018



DLF Emporio Limited
Statement of changes in equity for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

A Equity share capital

Particulars	Balance as at April 1, 2016	Changes during the year	Balance as at March 31, 2017	Changes during the year	Balance as at March 31, 2018
Equity share capital	495.90	-	495.90	-	495.90

B Other equity


Particulars	Reserves and surplus				Other comprehensive income - reserve	Total
	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	Retained Earnings	FVTOCI reserve	
Balance as at April 1, 2016	-	4,455.00	3,257.30	33,455.68	4.24	41,172.22
Profit for the year	-	-	-	8,301.88	-	8,301.88
Change in other comprehensive income*	-	-	-	-	-	-
Transfer (from)/to retained earnings	4.10	-	1,748.40	(1,752.50)	2.96	2.96
Balance as at March 31, 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

* refer note 28


The accompanying notes form an integral part of these financial statements.
As per our report of even date

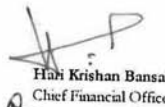
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/ E300005

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

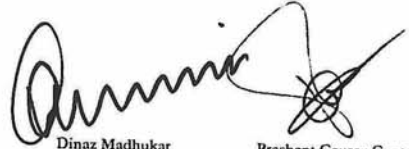

per Amit Gupta
Partner
Membership Number: 501396



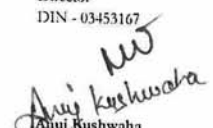

Anupam Sharma
Director
DIN - 05234238


Hari Krishan Bansal
Chief Financial Officer

Place : Gurugram
Date : May 16, 2018


Dinaz Madhukar
Director
DIN - 03453167


Prashant Gaurav Gupta
Manager


Anuj Kushwaha
Company Secretary
Membership Number: A52027

Place : Gurugram
Date : May 16, 2018



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, 2018 are approved for issue by the Board of Directors on May 16, 2018.

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 and Companies (Indian Accounting Standards) (Amendment) Rules, 2017, as amended.

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 and share based payments 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 recognition

Revenue comprises the consideration received or receivable for providing buildings on operating lease, development income, rendering of maintenance service and other income in the ordinary course of the Company’s activities.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is presented net of taxes, rebates and discounts (if any).

The specific recognition criteria described below must also be met before revenue is recognised:

Rental income

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.



DLF Emporio Limited
Notes to the financial statement for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

Service income

Revenue in respect of maintenance services is recognised on an accrual basis, in accordance with the terms of the respective contract.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method. Interest from customers is accounted for on accrual basis except in case where ultimate collection is considered doubtful.

Advertisement income

Advertisement/promotional income is recognised on accrual basis in accordance with the terms of the agreement.

Utility services

Income from utilities services provided to tenants' specific usage is recognised on accrual basis in accordance with the terms of the agreement.

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. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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 equipment	5

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

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 properties

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 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.

g) 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.

h) 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.

i) 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:

- 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.

j) 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.

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

k) 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.



DLF Emporio Limited

Notes to the financial statement for the year ended March 31, 2018

(All amounts in ₹ lacs, unless otherwise stated)

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.

l) 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.

m) 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.

n) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period 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 period are adjusted for the effects of all dilutive potential equity shares.

o) **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.

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.



DLF Emporio Limited
Notes to the financial statement for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

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.



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3 Property, plant and equipment

	Office equipments	Total
Gross block		
As at April 1, 2016	10.10	10.10
Additions	-	-
Disposals/adjustment	(2.26)	(2.26)
As at March 31, 2017	<u>7.84</u>	<u>7.84</u>
As at April 1, 2017	7.84	7.84
Additions	-	-
Disposals/adjustment	-	-
As at March 31, 2018	<u>7.84</u>	<u>7.84</u>
Accumulated depreciation		
As at April 1, 2016	9.94	9.94
Charge for the year	0.11	0.11
Disposals / adjustments	(2.26)	(2.26)
As at March 31, 2017	<u>7.79</u>	<u>7.79</u>
As at April 1, 2017	7.79	7.79
Charge for the year	0.05	0.05
Disposals/adjustment	-	-
As at March 31, 2018	<u>7.84</u>	<u>7.84</u>
Net block		
As at March 31, 2017	0.05	0.05
As at March 31, 2018	-	-

(i) Contractual obligations

The company does not have any contractual commitments for acquisition of property, plant and equipment.

(ii) Capitalised borrowing cost

The Company has not capitalised any borrowing cost during the year ended March 31, 2018 and the year ended March 31, 2017.

(iii) Deemed cost of property, plant and equipment as 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

	Freehold land	Buildings	Plant and equipments	Total
Gross block				
As at April 1, 2016	18,477.14	17,460.83	4,121.69	40,059.66
Additions	-	-	30.56	30.56
Disposals/adjustment	-	(15.95)	(0.31)	(16.26)
As at March 31, 2017	18,477.14	17,444.88	4,151.94	40,073.96
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
Accumulated depreciation				
As at April 1, 2016	-	318.92	467.08	786.00
Charge for the year	-	321.59	465.76	787.35
Disposals / adjustments	-	(0.26)	(0.02)	(0.28)
As at March 31, 2017	-	640.25	932.82	1,573.07
As at April 1, 2017	-	640.25	932.82	1,573.07
Charge for the year	-	322.59	467.82	790.21
Disposals/adjustment	-	-	-	-
As at March 31, 2018	-	962.64	1,400.61	2,363.28
Net block				
As at March 31, 2017	18,477.14	16,804.63	3,219.12	38,500.89
As at March 31, 2018	18,477.14	16,482.24	2,751.30	37,710.68

(i) Contractual obligations

The Company does not have any contractual commitments for the acquisition of investment property as at March 31, 2018 and March 31, 2017 other than as mentioned in note 40.

(ii) Capitalised borrowing cost

The Company has not capitalised any borrowing cost during the year ended March 31, 2018 and the year ended March 31, 2017.

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

	March 31, 2018	March 31, 2017
Rental income		
Direct operating expenses that generated rental income	12,215.07	12,227.65
Direct operating expenses that did not generate rental income	567.63	519.07
Profit from leasing of investment properties before depreciation	-	-
Depreciation expense	11,677.44	11,708.58
Profit from leasing of investment property after depreciation	790.21	787.07
	10,887.23	10,921.51

(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, 2018 and March 31, 2017 are mentioned below:

	March 31, 2018	March 31, 2017
Upto one year	7,679.98	6,551.67
After one year but not more than 5 years	1,656.90	1,107.16
More than five years	-	-
Total	8,736.88	7,658.83

(v) Fair Value

Particulars	March 31, 2018	March 31, 2017
Fair Value	1,34,050.00	1,33,500.00

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, C.A.M 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

However for valuation of March 2017, fair valuation has been determined based on income projections and a capitalisation rate derived from an analysis of market evidence.

(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, 2018
(All amounts in ₹ lacs, unless otherwise stated)

10 Trade receivables

Related Parties

Secured, considered good

Unsecured, considered good

Others

Secured, considered good

Unsecured

- Considered good

- Considered doubtful

Less : Allowance for expected credit loss

	March 31, 2018	March 31, 2017
	29.47	357.95
	57.60	26.19
	475.31	282.96
	44.39	9.50
	14.02	14.02
	620.79	693.62
	(14.02)	(14.02)
	606.77	676.60

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.

11 Cash and cash equivalents

Balances with banks

In current account (refer note 11.1)

In escrow account (refer note 11.2)

	March 31, 2018	March 31, 2017
	17.88	-
	731.29	1,284.97
	749.17	1,284.97

11.1 Cheque issued from current account over and above the bank balance has been adjusted against auto sweep FDR.

11.2 ₹ 731.29 lacs (March 31, 2017 ₹ 1,284.97 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.

11.3 Changes in liabilities arising from financing activities

	April 1, 2017	Cash flows	Charged to statement of Profit & Loss	March 31, 2018
Non convertible debentures	51,193.77	-	447.01	51,640.76
Interest accrued on borrowings	188.14	(5,722.50)	5,722.50	188.14
	51,381.91	(5,722.50)	6,169.51	51,828.90

12 Other bank balances

Bank deposits with original maturity more than 3 months but less than 12 months*

	March 31, 2018	March 31, 2017
	2,093.87	1,027.80
	2,093.87	1,027.80

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

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DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2018		March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
13 Share capital				
13.1 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 various classes of 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, 2018		March 31, 2017	
	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%	22,27,502	44.92%

(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, 2018		March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
13.2 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

(b) Issued, subscribed and paid up

12% non cumulative redeemable preference shares of ₹ 100 each
9% non cumulative redeemable preference shares of ₹ 100 each

	March 31, 2018		March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
	-	-	-	-
	-	-	-	-
	-	-	-	-

Reconciliation of number of preference shares outstanding at the beginning and at the end of the year

	March 31, 2018		March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	-	-	4,100	4.10
Issued / (Redeemed) during the year	-	-	(4,100)	(4.10)
Outstanding at the end of the year	-	-	-	-



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2018

(All amounts in ₹ lacs, unless otherwise stated)

14 Other equity

Capital Redemption Reserve
Securities Premium Reserve
Retained Earnings
Debenture Redemption Reserve
Other Comprehensive Income through FV/TOCI

March 31, 2018	March 31, 2017
4.10	4.10
4,455.00	4,455.00
45,325.37	40,005.06
8,079.92	5,005.70
-	7.20
57,864.39	49,477.06

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



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DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Non - Current	
	March 31, 2018	March 31, 2017
15 Borrowings		
Secured		
Non convertible debentures (secured)*	51,640.76	51,193.77
	51,640.76	51,193.77

* based on early redemption date

15.1 Repayment terms and security disclosure for the outstanding long term borrowings :

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

- ₹51,640.76 lacs (March 31, 2017: ₹51,193.77 lacs) are secured by way of first pari passu charge on the immovable property 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 latest by November 21, 2019. Pledge over the shareholding of the issuer company along with charge over debt service account in favour of debenture trustees.
- Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- Pledge over the shareholding of Company
- Fixed deposits pledged with debenture trustees. (refer note 7)

	Non - Current	
	March 31, 2018	March 31, 2017
16 Other financial liabilities		
Security deposit from tenants	3,238.35	2,823.07
	3,238.35	2,823.07

17 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 FVTOCI

Impact on financial assets at amortised cost

Deferred tax assets

	Non - Current	
	March 31, 2018	March 31, 2017
	2,175.95	2,697.67
	49.58	38.73
	-	2.11
	0.13	0.13
	-	-
	2,225.66	2,738.64

Movement in deferred tax liabilities during the year ended March 31, 2018 and year ended March 31, 2017

Particulars	April 1, 2017	Recognised in 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
Minimum alternate tax credit	-	-	-	-
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

Particulars	April 1, 2016	Recognised in profit and loss	Recognised in other comprehensive income	March 31, 2017
Non-current assets				
Investment property	2,809.31	(111.64)	-	2,697.67
Loans	(8.44)	8.57	-	0.13
Minimum alternate tax credit	(1,053.36)	1,053.36	-	-
Investments	1.23	-	0.88	2.11
Non current liabilities				
Other financial liabilities	39.46	(0.73)	-	38.73
Total	1,788.20	949.56	0.88	2,738.64



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2018

(All amounts in ₹ lacs, unless otherwise stated)

18 Deferred revenue

At the beginning of the year
Deferred during the year
Released to the statement of profit and loss
At the end of the year

	March 31, 2018	March 31, 2017
	1,363.73	918.22
	920.80	1,019.06
	(619.38)	(573.55)
	1,665.15	1,363.73
Current	408.34	447.16
Non-current	1,256.81	916.57
	1,665.15	1,363.73

19 Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note 33)
Total outstanding dues of creditors other than micro enterprises and small enterprises
Related Parties
Others

	March 31, 2018	March 31, 2017
	-	-
	745.67	624.03
	322.80	248.86
	1,068.47	872.89

20 Other financial liabilities

Interest accrued on borrowings (refer note 15)
Security deposits from tenants
Other payable

	Current	
	March 31, 2018	March 31, 2017
	188.14	188.14
	1,741.82	2,155.42
	4.35	4.34
	1,934.31	2,347.90

21 Other current liabilities

Advance from customers
Statutory dues

	March 31, 2018	March 31, 2017
	39.84	114.04
	107.82	41.34
	147.66	155.38



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	March 31, 2018	March 31, 2017
22 Revenue from operations		
Operating revenue		
Rental income*	12,245.07	12,227.65
Service income	3,020.01	2,675.21
Other operating revenue		
Parking Income	173.77	132.64
Income from promotion and advertisement activities	161.47	119.51
Amount forfeited on properties	20.25	19.02
	15,620.57	15,174.03
* It includes ₹565.88 lacs (March 31, 2017: ₹ 521.45 lacs) income on account of financial liability measured at amortised cost.		
23 Other income		
Interest income on		
Bank deposits	240.07	199.20
Loans	7,415.22	7,577.54
Others	4.30	3.62
Gain on pre settlement of financial asset	-	24.77
Miscellaneous income	14.99	22.68
	7,674.58	7,827.81
24 Finance costs		
Interest expense on:		
Debentures	6,169.50	5,923.22
Preference Dividend	-	0.63
Financial liability measured at amortised cost	523.85	512.76
Others	1.86	27.20
Guarantee and bank charges	0.03	0.07
	6,695.22	6,463.88
25 Depreciation expense		
Depreciation on property, plant and equipment	0.05	(2.15)
Depreciation on investment property	790.21	787.06
	790.26	784.91
26 Other expenses		
Rates and taxes	22.10	20.05
Electricity, fuel and water	998.63	993.52
Advertisement and publicity	472.54	498.59
Repair and maintenance - building	64.91	16.72
Repair and maintenance - others	149.48	119.56
Commission & brokerage	31.08	3.77
Facility maintenance expenses	1,721.26	1,383.73
Heating, ventilation and air conditioning	452.61	428.46
Payment to auditors (refer note 26.1)	22.38	12.68
Legal and professional fees	46.76	36.70
Corporate Social Responsibility expense (refer note 41)	219.00	194.00
Director's sitting fees	6.81	6.83
Director's travelling expenses	0.53	0.53
Business support service charges	100.50	88.66
Loss on pre settlement of financial liability	4.78	10.82
Miscellaneous expenses	1.07	7.14
	4,313.54	3,821.75
26.1 Payment to auditor *		
As auditor		
Audit fees	8.34	3.47
Tax audit fees	0.68	0.68
Limited Review fees	9.95	5.53
Other services	2.85	2.00
Reimbursement of expenses	0.56	1.00
	22.38	12.68

* exclusive of applicable taxes



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2018	March 31, 2017
27 Tax expense		
Current tax	3,649.79	2,679.86
Minimum alternate tax credit entitlement	-	1,053.36
Deferred tax credit	(510.87)	(103.80)
	3,138.92	3,629.42

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.608% and the reported tax expense in profit or loss are as follows:

Particulars	March 31, 2018	March 31, 2017
Accounting profit before income tax	11,496.13	11,931.30
At country's statutory income tax rate of 34.608% (March 31, 2017: 34.608%)	3,991.50	4,129.18
Adjustments		
Tax impact of expenses which will never be allowed	691.93	730.53
Standard deduction under income from house property	(1,212.91)	(1,215.88)
Interest expense allowed under section 24(b) of Income Tax Act	2.84	(14.41)
Difference due to change in tax rate	(427.79)	-
Others	93.35	-
Total adjustment	(852.58)	(499.76)
Income tax expenses recognised in the books	3,138.92	3,629.42

	March 31, 2018	March 31, 2017
28 Other comprehensive income		
Items that will not be reclassified to profit or loss		
Fair valuation gain/ loss on investment in equity instrument	(9.31)	3.85
Income tax effect on above	2.11	(0.89)
	(7.20)	2.96

	March 31, 2018	March 31, 2017
29 Earnings per equity share		
Earnings attributable to equity shareholders	8,394.53	8,301.88
Weighted average number of equity shares outstanding (in numbers)	49,59,000	49,59,000
Nominal value of equity share (₹)	10.00	10.00
Earnings per equity share (₹)		
- Basic	169.28	167.41
- Diluted	169.28	167.41



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30 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 maximize 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 Unites 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, 2016	17.46
Gain/(loss) recognised in other comprehensive income	3.85
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	-

(v) Financial instruments by category

Particulars	March 31, 2018					March 31, 2017				
	Level	Carrying value	FVTPL	FVOCI	Amortised cost	Level	Carrying value	FVTPL	FVOCI	Amortised cost
Financial assets										
Investments	Level 3	-	-	-	-	Level 3	-	-	-	-
Loans	Level 3	60.15	-	-	-	Level 3	21.31	-	21.31	-
Other financial assets	Level 3	1,846.67	-	-	60.15	Level 3	2,678.51	-	-	2,678.51
Total financial assets		1,906.82			1,846.67		1,735.39			1,735.39
Financial liabilities										
Borrowings	Level 3	51,640.76	-	-	51,640.76	Level 3	51,193.77	-	-	51,193.77
Security deposit	Level 3	4,980.17	-	-	4,980.17	Level 3	4,978.49	-	-	4,978.49
Total financial liabilities		56,620.93			56,620.93		56,172.26			56,172.26

The management assessed that cash and cash equivalents, other bank balance, trade receivables, 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.

31 Financial risk management

i) Financial instruments by category

Financial instruments, carrying value represents the best estimates of fair value.

Particulars	March 31, 2018			March 31, 2017		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	606.77	-	-	676.60
Investments	-	-	-	-	-	-
Loans	-	-	-	-	21.31	-
Security deposit	-	-	75,491.75	-	-	66,724.60
Cash and equivalents	-	-	60.15	-	-	-
Fixed deposit (including interest accrued)	-	-	749.17	-	-	1,284.97
Other bank balances	-	-	1,846.67	-	-	1,735.39
Other financial assets	-	-	2,093.87	-	-	1,027.80
Total			80,887.54		21.31	71,468.47
Financial liabilities						
Borrowings including interest	-	-	51,828.90	-	-	51,381.91
Trade payable	-	-	1,068.47	-	-	872.89
Security deposit	-	-	4,980.17	-	-	4,978.49
Other financial liabilities	-	-	4.35	-	-	4.34
Total			57,881.89			57,237.63

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 and 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, investments, 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 receivables	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, 2018	March 31, 2017
A: Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables, other assets and other financial assets	80,873.52	71,175.76
B: Moderate credit risk	Other financial assets	-	-
C: High credit risk	Trade receivables	14.02	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, 2018

Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of provision
Investment at amortised cost	-	-	-
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

March 31, 2017

Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of provision
Investment at amortised cost	21.31	-	21.31
Trade receivables	690.62	14.02	676.60
Other bank balance	1,027.80	-	1,027.80
Cash and cash equivalents	1,284.97	-	1,284.97
Other financial assets	1,754.50	-	1,754.50
Loans	66,724.60	-	66,724.60

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 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 tables below analyse the company's financial liabilities into relevant maturity companying's 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 to their carrying balances in the financial statements as the impact of discounting is not significant.

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	2,226.01	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

March 31, 2017	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings including interest	5,722.50	62,063.63	-	67,786.13
Trade payable	872.89	-	-	872.89
Security deposits	2,298.31	2,813.29	1,345.26	6,456.86
Other financial liabilities	4.34	-	-	4.34
Total	8,898.04	64,876.92	1,345.26	75,120.22

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.

b) Price risk

The Company's exposure to price risk arises from investments held and classified as FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods

Particulars

Price sensitivity

Price increase by (5 %)- FVTOCI

Price decrease by (5 %)- FVTOCI

	March 31, 2018	March 31, 2017
Price increase by (5 %)- FVTOCI	-	1.07
Price decrease by (5 %)- FVTOCI	-	(1.07)

32 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, 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, or sell assets to reduce debt.

Particulars	March 31, 2018	March 31, 2017
Total borrowings	51,640.76	51,193.77
Less: Cash and cash equivalent	(749.17)	(1,284.97)
Net debt	50,891.59	49,908.80
Total equity	58,360.28	49,972.96
Net debt to equity ratio	87.20%	99.87%



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

Particulars	March 31, 2018	March 31, 2017
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	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.

34 **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.

35 CRISIL has reaffirmed its rating on the commercial mortgage backed securities ("CMBS") to CRISIL AA (SO)/(Stable) vide letter March 6, 2018 and ICRA has also reaffirmed its rating on CMBS to ICRA AA (SO) (Stable) vide letter dated November 14, 2017.

36 **Contingent liabilities**

Claim against the company not acknowledged as debts

Particulars	March 31, 2018	March 31, 2017
Income tax (Assessment year 2009-10)*	1,046.70	-
Income tax (Assessment year 2010-11) *	1,694.42	1,231.82
Income tax (Assessment year 2011-12) **	1,796.57	1,285.51
Income tax (Assessment year 2012-13) **	805.08	39.01
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. There is no intimation as on date whether the department has preferred an appeal against the said order.

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 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.

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

38 In the opinion of the board of directors, current assets, loans and advances 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.

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

40 Estimated amount of commitments on capital account as on March 31, 2018 is ₹ 28.53 lacs (March 31, 2017 : ₹ Nil)

41 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 ₹ 219.00 lacs (March 31, 2017: ₹ 194.00 lacs) towards CSR activities during the year ended March 31, 2018. The details of amount actually paid by the Company to DLF Foundation (related party) are:

Particulars	Amount Paid	Amount yet to be Paid	Total
March 31, 2018 :			
Donation made for construction/ acquisition of assets	-	-	-
Donation made for education, sanitation, sports, and environment activities	219.00	-	219.00
March 31, 2017 :			
Donation made for construction/ acquisition of assets	-	-	-
Donation made for healthcare and sanitation activities	194.00	-	194.00



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

- 42 During the current year, the Company has sold off their investments in equity shares, 1,20,000 shares of ₹ 10 each, of DLF Utilities Limited ("DUL") 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.
- 43 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 31,2018	March 31,2017	March 31,2018	March 31,2017
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	57,226.00	66,196.00	57,226.00

* excluding interest accrued.

44 Related party disclosures

In accordance with Ind AS-24 "Related Party Disclosures" of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards)(Amendment) Rules 2017, 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 and there were balance outstanding at year end**
- a) **Ultimate holding company**
DLF Limited (till December 25, 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)
- d) **Fellow subsidiary company**
DLF Utilities Limited (till December 25, 2017)
DLF Emporio Restaurants Limited (till December 25, 2017)
DLF Home Developers Limited (till December 25, 2017)
Galleria Property Management Services Private 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)
DLF Assets Private Limited
- e) **Subsidiary of entity having joint control over the ultimate 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**
DLF Brands Limited (till December 25, 2017)
Ferragamo Retail India Private Limited (till December 25, 2017)
Giorgio Armani India Private Limited (till December 25, 2017)
Rod Retail Pvt Limited (till December 25, 2017)
- g) **Enterprises under the control of Key managerial personnel(KMP) of entities having joint control over the ultimate holding company or their relatives at any time during the year**
DLF Brands Limited (w.e.f. December 26, 2017)
Giorgio Armani India Private 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)



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45 During the current year, the Company has recognised Common Area Maintenance (CAM) charges based on management estimate of maintenance expenditure incurred during the year ended March 31, 2018. However, the company is in the process of obtaining a third party chartered accountant certificate of actual expenditure incurred towards maintenance charges for the year ended March 31, 2018. The management believes that no material adjustments will arise in CAM revenue which will affect the current year financial statements.

46 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 the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is 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.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers 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 115 on the financial statements will only be possible once the implementation project has been completed.

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 are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the Company as the Company don't recognise the deferred tax assets.

Transfers of Investment Property — Amendments to Ind AS 40

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.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after 1 April 2018. The Company will apply amendments when they become effective. However, since Company's current practice is in line with the clarifications issued, the Company does not expect any effect on its financial statements.

Ind AS 28 Investments in Associates and Joint Ventures — Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments will be applied retrospectively and are effective from April 1, 2018.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

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 transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 1, 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

47 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.



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DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2018
(All amounts in ₹ lacs, unless otherwise stated)

48 The financial statements of the Company for the year ended March 31, 2017 were audited by a firm of chartered accountants other than S.R. Batliboi & Co. LLP.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E/130000E


Anant Gupta
Partner
Membership Number: 501396



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


Anupam Sharma
Director
DIN - 05234238


Hari Krishan Bansal
Chief Financial Officer


Dinaz Madhukar
Director
DIN - 03453167


Prashant Gaurav Gupta
Manager


Anuj Kushwaha
Company Secretary
Membership Number: A52027

Place : Gurugram
Date : May 16, 2018

Place : Gurugram
Date : May 16, 2018

