



24th ANNUAL REPORT

2022-23

DLF EMPORIO LIMITED

CIN: U74920HR1999PLC034168

**REGD. OFFICE: Shopping Mall, Phase - I, DLF City,
Gurugram-122002, Haryana**

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DLF EMPORIO LIMITED
(CIN: U74920HR1999PLC034168)



Company Information

Board of Directors

Mr. Debaraj Sahoo
Director
(DIN: 08259815)
(Appointed w.e.f. 22nd February 2023)

Mr. Giri Raj Shah
Director
(DIN: 03436135)

Ms. Pushpa Bector
Director
(DIN: 02917318)

Reference Information

Registered Office Address

Shopping Mall, Phase - I, DLF City,
Gurugram-122002, Haryana

Statutory Auditors

S.R. Batliboi & Co. LLP,
Chartered Accountants
2nd & 3rd Floor, Golf View Corporate
Tower-B, Sector -42, Sector Road,
Gurugram -122002, Haryana

Registrar & Share Transfer Agent

Alankit Assignments Limited
205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi - 110055

DLF Emporio Limited

11th Floor, Gateway Tower,
DLF City, Phase-III, Gurugram- 122 002,
Haryana, India
Tel. : (+91-124) 456 8900



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24th ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF DLF EMPORIO LIMITED ('THE COMPANY') WILL BE HELD ON TUESDAY, 1st AUGUST 2023 AT 15:00 HRS. (IST) AT THE REGISTERED OFFICE OF THE COMPANY AT SHOPPING MALL, PHASE-I, DLF CITY, GURUGRAM-122 002 HARYANA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March 2023 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Giri Raj Shah (DIN: 03436135), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Mr. Debaraj Sahoo as Director, liable to retire by rotation**

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

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) ['the Act'], Mr. Debaraj Sahoo (DIN: 08259815), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 22nd February 2023, and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Act read with the Articles of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of a Director

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of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

4. Approval for appointment of Mr. Gautam Handa as Manager of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 2(53), 196, 203 read with Schedule V and/or any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment thereof for the time being in force) ('the Act'), and such other approvals, consents and permissions, as may be necessary, the consent of the Company be and is hereby accorded to appoint Mr. Gautam Handa (DIN: 10055143), as Manager of the Company for a period of 5 (five) consecutive years w.e.f. 1st March 2023, without any remuneration.

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

RESOLVED FURTHER THAT in terms of the provisions of Section 2(51) and 203 of the Act, Mr. Gautam Handa, Manager, be designated as Key Managerial Personnel w.e.f. 1st March 2023 to perform such functions as may be necessary under the Act or assigned to him by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors, 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) as the Board of Directors may, in its absolute discretion, consider necessary, expedient

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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 necessary by the Board of Directors to be in the best interest of the Company."

By order of the Board of Directors
For DLF Emporio Limited


Pushpa Bector
Director

DIN: 02917318

Date: 08.05.2023

Place: Gurugram

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF 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 Act setting out the material facts concerning the special business under Item No.s 3 & 4 of the Notice is annexed hereto and forms part of this Notice.
3. The details of Director and Manager seeking appointment/ re-appointment, in terms of the Act (including Secretarial Standard-2) are annexed hereto and form part of this Notice.
4. Relevant documents, if any, and statutory registers will be open for inspection at the Registered Office of the Company on all working days up to the date of the AGM and will also be available for inspection at the AGM.

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5. Corporate member intending to send its authorised representative(s) 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 AGM.
6. In terms of the Articles of Association, the facility for voting through polling paper in terms of Section 109 of the Act and the rules made thereunder shall be made available at the AGM.
7. The Company has appointed Mr. Ramit Rastogi, Company Secretary in whole time practice as Scrutinizer to scrutinize the polling process in fair and transparent manner. Mr. Rastogi has given his consent for such appointment.
8. The Company, being a wholly-owned subsidiary of DLF Cyber City Developers Limited, route map of the venue of the Meeting and prominent landmark as per Secretarial Standard-2 on General Meetings have not been provided.
9. Members are requested to quote their DP ID-Client ID and email-id, telephone/ mobile no. in all their correspondences.

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Statement (Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

Pursuant to the provisions of Section 161 of the Companies Act, 2013 read with the rules made thereunder ('the Act') and the Articles of Association of the Company, Mr. Debaraj Sahoo (DIN: 08259815), was appointed as an Additional Director of the Company w.e.f. 22nd February 2023. Accordingly, he shall hold office up to the date of this Annual General Meeting (AGM).

The Company has received a notice in writing under the provisions of Section 160 of the Act from a member proposing the candidature of Mr. Debaraj Sahoo, for the office of Director of the Company, liable to retire by rotation.

Mr. Sahoo has given a declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director in accordance with Section 152 of the Act.

Brief resume of Mr. Sahoo and nature of his expertise in specific functional areas along with details in terms of the provisions of the Act (including Secretarial Standard-2) are given hereunder:

| | |
|---|---|
| Age: | 47 Years |
| Qualifications: | Mr. Debaraj Sahoo, a fellow member of Institute of Company Secretaries of India (ICSI), MBA (Finance) and a law graduate. |
| Experience: | Mr. Debaraj Sahoo has an experience of more than two decades in Secretarial, Corporate Finance and Legal compliances. |
| Terms and Conditions of Appointment: | Director, liable to retire by rotation. |
| Details of remuneration sought to be paid, if any: | N.A. |
| Details of the remuneration last drawn: | He has not drawn any remuneration from the Company. |
| Date of first appointment on | 22 nd February 2023 |

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| | |
|---|---|
| the Board: | |
| Shareholding in the Company: | Mr. Debaraj Sahoo holds 1 (one) equity share in the Company as nominee of DLF Cyber City Developers Limited, holding company. |
| Relationship with other Directors and other KMP(s): | NIL |
| Number of Board Meetings attended during the financial year 2022-23: | 1 out of 1 |
| Other Directorship(s): | 1. DLF Lands India Private Limited; and 2. Riveria Commercial Developers Limited. |
| Committee Positions in other companies: | NIL |

Mr. Debaraj Sahoo, being the appointee and his relatives are deemed to be interested in the resolution as set-out at item no. 3 of the Notice. Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and/ or their respective relatives, in any way, are concerned or interested, financially or otherwise, in the resolution set-out above.

The Board commends the resolution for approval of the members as an **Ordinary Resolution**.

Item No. 4

Members may kindly note that consequent to the resignation of Mr. Prashant Gaurav Gupta as Manager of the Company, with effect from 23rd February 2023, the Company is required to appoint a Manager in terms of the provisions of Section 2(51), 2(53), 196, 203, Schedule V and/ or any other applicable provisions of the Companies Act, 2013 and the rules made thereunder ('the Act'). Accordingly, the Board of Directors of the Company at their meeting held on 22nd February 2023, had subject to approval of members, appointed Mr. Gautam Handa as Manager of the Company for a period of 5 (five) consecutive years with the effect from 1st March 2023, without any remuneration.

Mr. Gautam Handa has not incurred any disqualifications under Section 196(3) of the Act. Further, pursuant to the provisions of Part I to Schedule V of

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the Act, he is eligible for appointment as a Manager of the Company and has given his consent for the same.

In terms of the provisions of Section 2(53) of the Act, Mr. Gautam Handa, 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. Gautam Handa may be designated as Key Managerial Personnel and shall perform such functions as may be necessary under the Act or rules made thereunder or assigned to him by the Board of Directors from time to time.

Brief resume of Mr. Gautam Handa and nature of his expertise in specific functional areas along with details in terms of the provisions of the Act (including Secretarial Standard-2) are given hereunder:

| | |
|---|---|
| Name: | Mr. Gautam Handa |
| Age: | 39 Years |
| Qualifications: | Mr. Gautam Handa holds bachelor's degree in hospitality management and certificate program in Hotel Revenue Management. |
| Experience: | Mr. Gautam Handa has rich experience of more than 18 years in Core Property Operations, Business Development and Guest Relationship Management. His last assignment was with W Goa as Director of Rooms, handling different performance areas under hospitality management. |
| Terms and Conditions of Appointment: | Appointment is for a period of 5 (five) consecutive years i.e., from 1 st March 2023 to 29 th February 2028. |

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| | |
|---|---|
| Details of remuneration sought to be paid, if any: | N.A. |
| Details of the remuneration last drawn: | He has not drawn any remuneration from the Company. |
| Date of first appointment on the Board: | 1 st March 2023 |
| Shareholding in the Company: | NIL |
| Relationship with other Directors and other KMP(s): | NIL |
| Number of Board Meetings attended during the financial year 2022-23: | NIL |
| Other Directorship(s): | NIL |
| Committee Positions in other companies: | NIL |

Mr. Gautam Handa, being the appointee and his relatives are deemed to be interested in the resolution as set-out at item no. 4 of the Notice. Save and except the above, none of the other Directors of the Company and/ or their respective relatives, in any way, are concerned or interested, financially or otherwise, in the resolution set-out above.

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The Board commends the resolution for approval of the members as an
Ordinary Resolution.

**By order of the Board of Directors
For DLF Emporio Limited**

**Date: 08.05.2023
Place: Gurugram**


**Pushpa Bector
Director
DIN: 02917318**

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**FORM NO. MGT-11
PROXY FORM**

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

24rd Annual General Meeting - Tuesday, 1st August 2023 at 15.00 Hrs. (IST)

CIN: U74920HR1999PLC034168

Name of the company: **DLF Emporio Limited**

Registered office: **Shopping Mall, Phase-I, DLF City, Gurugram-122002,
Haryana**

| | | | |
|---|--|--|--|
| Name of the Member(s): Registered Address: | | Email id: Folio No./ Client Id*: DP Id*: | |
|---|--|--|--|

I/ We, being the member(s) holding 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: |

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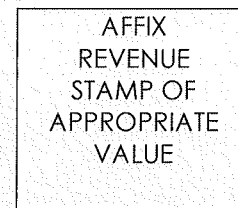
as my/ our proxy to attend and vote for me/ us and on my/ our behalf at the 24th Annual General Meeting of the Company to be held on Tuesday, 1st August 2023 at 15:00 Hrs. (IST) at the registered office of the Company at Shopping Mall, Phase-I, DLF City, Gurugram-122002, Haryana and at any adjournment thereof in respect of such resolution(s) as are indicated below:

| Resl. No. | Resolution(s) | For# | Against# | Abstained# |
|-----------|---|------|----------|------------|
| 1. | Adoption of Audited Financial Statement, Directors' Report and Auditors' Report for the financial year ended on 31 st March 2023 | | | |
| 2. | Re-appointment of Mr. Giri Raj Shah, Director (DIN: 03436135), who retires by rotation | | | |
| 3. | Appointment of Mr. Debaraj Sahoo (DIN: 08259815) as Director of the Company, liable to retire by rotation | | | |
| 4. | Appointment of Mr. Gautam Handa (DIN:10055143), as Manager of the Company | | | |

Signed this Day of ____2023

Signature of member

Signature of Proxy holder (s)



Notes:

- 1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement 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 optional. Please put 'x' or '✓' in the appropriate column against the resolution indicated in the Box. If you leave 'For' or 'Against' or 'Abstain' column blank against the resolution, your Proxy will be entitled to vote in the manner as he/ she deems appropriate.

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- 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****24th Annual General Meeting – Tuesday, 1st August 2023 at 15:00 Hrs. (IST)**

| | | |
|----|--|--|
| 1. | Full Name and Registered Address of the Member (in BLOCK LETTERS) | |
| 2. | Full Name of the Proxy (in BLOCK LETTERS) | |
| 3. | DP ID - Client ID | |
| 4. | No. of Equity Share(s) held | |

I/ We, being the Registered Shareholder/ Proxy for the Registered Shareholder* of the Company, hereby record my/ our presence at 24th Annual General Meeting of the Company to be held on Tuesday, 1st August 2023 at 15:00 Hrs. (IST) at the registered office of the Company at Shopping Mall, Phase-I, DLF City, Gurugram-122002, Haryana and at any adjournment(s) thereof.

Member's/ Proxy's Signature

**Strike off whichever is not relevant*

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Details of the Director seeking re-appointment at the AGM

| | |
|---|--|
| Name: | Mr. Giri Raj Shah |
| DIN: | 03436135 |
| Age: | 64 Years |
| Qualifications: | Graduated in Architecture from Sir J.J. College of Architecture, Mumbai. |
| Experience: | Mr. Shah started his career with Consulting Engineering Services Pvt. Ltd. (CSE) in the Year 1982 and was associated with them till 1992. During his tenure with CES, he worked extensively on project based in Muscat, Sultanate of Oman, and was posted there between 1984 to 1991. Between 1992 and 1995 he worked with DLF Limited and was associated with their premium residential projects- Beverly Parks 1 & 2 and development of DLF Phase 5. He rejoined DLF in 2004 and has been associated in the development of all Retail and Commercial complexes ever since. |
| Terms and Conditions of Re-appointment: | Director, liable to retire by rotation |
| Details of remuneration sought to be paid, if any: | NIL |
| Details of the remuneration last drawn: | He has not drawn any remuneration from the Company. |
| Date of first appointment on the Board: | 23 rd July 2019 |
| Shareholding in the Company: | NIL |
| Relationship with other Directors, Manager and other KMP(s): | NIL |
| Number of Board Meetings attended during the financial year 2022-23: | 6 out of 6 |
| Other Directorship(s): | 1. DLF Promenade Limited 2. DLF Info Park(Pune) Limited 3. Paliwal Real Estate Limited |
| Committee Positions in other companies: | Corporate Social Responsibility Committee DLF Promenade Limited (Member) |

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company together with the audited financial statement for the financial year ended 31st March 2023.

Financial Performance

The financial performance of the Company for the financial year ended 31st March 2023 is as under:

| | (₹ in lakh) | |
|---|------------------|-----------|
| | 2022-23 | 2021-22 |
| Total income | 18,435.30 | 13,111.10 |
| Total expenses | 7,214.47 | 7,024.76 |
| Profit before exceptional items and tax | 11,220.83 | 6,086.34 |
| Exceptional items (net) | - | - |
| Profit before tax | 11,220.83 | 6,086.34 |
| Less: Tax expenses | 2,401.02 | 1,504.30 |
| Profit after tax | 8,819.81 | 4,582.04 |
| Other Comprehensive Income | 9,210.97 | 638.22 |
| Total Comprehensive Income | 18,030.78 | 5,220.26 |

Review of Operations

During the financial year 2022-23, total income of the Company has increased from ₹ 13,111.10 lakh (previous year) to ₹ 18,435.30 lakh (current year), mainly due to increase in revenue from operations. The expenses of the Company have increased from ₹ 7,024.76 lakh (previous year) to ₹ 7,214.47 lakh (current year) due to increase in cost of facility maintenance and development expenses and other expenses. The net profit (after tax) for the year stood at ₹ 8,819.81 lakh (current year) as against ₹ 4,582.04 lakh (previous year). The total comprehensive income for the year was increased from ₹ 5,220.26 lakh (previous year) to ₹ 18,030.78 lakh (current year). The basic and diluted EPS for the financial year 2022-23 stood at ₹ 189.86 as compared to ₹ 92.51 in the previous year.

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

DLF Emporio is a name truly synonymous with luxury. Exclusivity, ambient spaces, state of the art unparalleled luxury retail and hospitality experiences and uber luxe aesthetics are the signatures of this spectacular offering. An environment that ensconces the best of

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global and Indian luxury brands, DLF Emporio is a heaven for luxury shoppers across India since only the finest signature brands, designer labels and high-end lifestyle products co-exist here.

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

Known for creating unique and discerning luxury experiences and offering best in class luxury services, DLF Emporio has always created benchmarks in excellence. As a validation of its distinction, DLF Emporio has been adjudged with “WELL Health-Safety Rating” at the “International WELL Building Institute”, “Sword of Honour Awards” by an independent jury appointed by the British Safety Council, “LEED Zero Water” certification from USGBC for DLF Emporio Mall from USGBC/ GBCI, “Most Admired Shopping Centre Company of the Year” award by MAPIC India 2022, Five Star certifications in a comprehensive Five Star Occupational Health & Safety Audit conducted by British Safety Council in 2022.

Future Outlook

As we move towards the year 2023, India's status as a global economic power is becoming increasingly apparent. India's luxury market is one of the fastest growing in the world, and is expected to double in next 5 years from \$ 2.5 billion to \$ 5 billion. A combination of factors, including a growing middle class, increasing disposable incomes, and changing consumer attitudes towards luxury goods, are driving the growth of the luxury market in India.

One of the key drivers of India's luxury market is the country's growing middle class. Over the past decade, India has experienced a significant increase in urbanization, with more and more people moving from rural areas to cities in search of better job opportunities and a higher standard of living. As a result, the middle class has become an important consumer segment for luxury brands. According to a recent study, India's middle class is set to grow to 580 million people by 2025, up from 267 million in 2017. This growth in the middle class is expected to fuel demand for high-end luxury goods, including cars, jewelry and watches, and designer clothing.

Another key factor driving India's luxury market is increasing disposable incomes. As the Indian economy continues to grow, more and more people are able to afford luxury goods. According to a report by McKinsey, the number of affluent Indian households - those with an

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annual income of over \$100,000 - is set to triple to 21 million by 2025. This increase in disposable incomes is expected to drive demand for luxury goods, particularly in categories such as fashion and accessories, beauty and personal care, and travel and hospitality.

In addition to the above reasons, changing consumer attitudes towards luxury goods are also driving the growth of India's luxury market. However, the younger generation of Indians is increasingly drawn to Western luxury brands, which they see as more aspirational. This trend is particularly evident in the fashion and beauty categories, where Western brands such as Louis Vuitton, Gucci, and Dior have seen significant growth in recent years.

Looking ahead to 2023 and beyond, India's luxury market is poised for further growth. Overall, DLF Emporio a place which harbors many such luxury brands shall continue to remain as a first choice for Indian consumers to aspire and be a part of our legacy by shopping with us.

Dividend

Your Board of Directors in order to conserve the resources of the Company for the future development and growth have not declared any dividend on equity shares during the financial year under review.

Reserves

Your Directors do not propose to transfer any amount to General Reserve during the financial year under review.

Material Changes and Commitment

There were no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year to which the financial statement relates and the date of this Report.

Changes in the nature of Business

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

Share Capital

During the financial year under review, there was no change in the share capital of the company.

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Public Deposits

Your Company has neither invited nor accepted/ renewed any public deposits during the financial year under review.

Holding Company

DLF Cyber City Developers Limited (DCCDL) and DLF Limited continue to be the holding Companies and Rajdhani Investments & Agencies Private Limited is the ultimate holding company of your Company.

Subsidiary(ies)/Associate Companies/Joint Ventures

During the financial year ended 31st March 2023, your Company does not have any subsidiary(ies)/ associate company(ies)/ joint venture(s). Therefore, the provisions of Section 129(3) of the Companies Act, 2013 ('the Act') and the rules made thereunder do not apply.

Scheme of Amalgamation/ Arrangement

During the financial year under review, a Composite Scheme of Arrangement ('the Scheme'), involving (a) merger/ amalgamation of DLF City Centre Limited, DLF Lands India Private Limited, DLF Info City Developers (Kolkata) Limited, DLF Emporio Limited into and with DLF Cyber City Developers Limited ('DCCDL'); and (b) demerger and vesting of SEZ Undertakings of DLF Assets Limited situated at Silokhera, Hyderabad and Chennai ('SEZ Undertakings') into DCCDL (hereinafter referred to as the 'Applicant Companies'), was approved by the Board of Directors in its meeting held on 21st July 2022, in respect of which first motion application was jointly filed by the Applicant Companies with the Hon'ble National Company Law Tribunal, Chandigarh ('NCLT') on 24th February 2023. The matter was heard on 14th March 2023 and is pending before Hon'ble NCLT. The appointed date as per the Scheme is opening hours of 1st April 2022.

Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) they 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) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis; and
- (e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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 Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, are given at **Annexure-A** hereto and form part of this Report.

Secretarial Standards

During the financial year under review, your Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Council of the Institute of Company Secretaries of India and approved by the Ministry of Corporate Affairs.

Board of Directors and Key Managerial Personnel

As on the date of this report, the Board comprises three Non-executive Directors. The composition of the Board of Directors is in conformity with the provisions of the Act.

During the financial year under review, the Board of Directors had appointed Ms. Pushpa Bector (DIN: 02917318) as an Additional Director of the Company w.e.f. 1st June 2022. Further, the shareholders at the Annual General meeting held on 5th August 2022 confirmed her appointment as Director, liable to retire by rotation.

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During the financial year under review, Mr. Yogendra Negi (DIN: 08565147) has resigned from the directorship of the Company w.e.f. 4th June 2022. Mr. Prashant Gaurav Gupta (DIN: 07951272) has resigned from the directorship and from the position of the Manager of the Company w.e.f. 23rd February 2023.

During the financial year under review, the Board of Directors has appointed Mr. Debaraj Sahoo (DIN: 08259815) as an Additional Director of the Company w.e.f. 22nd February 2023. As an Additional Director, Mr. Debaraj Sahoo will hold office till the ensuing Annual General Meeting. The resolution pertaining to the appointment of Mr. Debaraj Sahoo as Director, liable to retire by rotation is being placed before the members for their approval in the ensuing Annual General Meeting of the Company.

The Company has received the requisite notice from a member in writing, proposing the candidature of Mr. Debaraj Sahoo as a Director, liable to retire by rotation.

Pursuant to provisions of Section 152 of the Act and in accordance with the Articles of Association of the Company, Mr. Giri Raj Shah (DIN: 0343135), Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment. The resolution seeking members' approval for his re-appointment form part of the Notice for convening Annual General Meeting.

A brief resume of the Directors seeking appointment/ re-appointment, along with other details, as stipulated in the Secretarial Standard on General Meetings, is provided in the Notice for convening Annual General Meeting.

Subsequently, the Board of Directors appointed Mr. Gautam Handa has been appointed as Manager of the Company w.e.f. 1st March, 2023.

None of the Directors of the Company is disqualified under Section 164 of the Act.

Mr. Gautam Handa, Manager, is the Key Managerial Personnel of the Company in terms of the provisions of the Act.

Board Meetings

During the financial year 2022-23, six Board meetings were held on 6th May, 19th July, 21st July, 17th October 2022, 19th January 2023 and 22nd February 2023, the attendance of which is given as under:

| S. No. | Name of the Directors | Position | No. of meeting(s) | |
|--------|--|--------------------|--------------------|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Prashant Gaurav Gupta (Till 22.02.2023) | Director & Manager | 6 | 6 |
| 2. | Mr. Giri Raj Shah | Director | 6 | 6 |
| 3. | Mr. Yogendra Negi (Till 03.06.2022) | Director | 1 | 1 |
| 4. | Ms. Pushpa Bector (w.e.f. 01.06.2022) | Director | 5 | 5 |
| 5. | Mr. Debaraj Sahoo (w.e.f. 22.02.2023) | Director | 1 | 1 |

The maximum interval between any two meetings was 94 days, which was in compliance with the provisions of the Act. The requisite quorum was present in all the meetings.

Corporate Social Responsibility Committee (CSR Committee)

During the year under review, the CSR Committee was reconstituted w.e.f. 4th June 2022, by inducting Ms. Pushpa Bector as Member in place of Mr. Yogendra Negi. The CSR Committee was further reconstituted w.e.f. 23rd February 2023, by inducting Mr. Debaraj Sahoo as Member in place of Mr. Prashant Gaurav Gupta. As on the date of this report, the CSR Committee comprises three Directors. The CSR Committee's composition and terms of reference are in compliance with provisions of Section 135 of the Act.

During the financial year under review, two meetings of the CSR Committee were held on 6th May and 17th October 2022, the attendance of which is given as under:

| S. No | Name of the Members | Position | No. of meeting(s) | |
|-------|---------------------|----------|--------------------|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Giri Raj Shah | Chairman | 2 | 2 |

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| | | | | |
|----|--|--------|---|---|
| 2. | Mr. Prashant Gaurav Gupta (Till 22.02.2023) | Member | 2 | 2 |
| 3. | Mr. Yogendra Negi (Till 03.06.2022) | Member | 1 | 1 |
| 4. | Ms. Pushpa Bector (w.e.f. 04.06.2022) | Member | 1 | 1 |
| 5. | Mr. Debaraj Sahoo (w.e.f. 23.02.2023) | Member | - | - |

In terms of the provisions of Section 135 of the Act, your Company was required to spend an amount of ~ ₹ 147.30 lakh on CSR projects/ programmes/ activities for the financial year 2022-23.

The Board of Directors of the Company, based on the recommendation of the CSR Committee, had accorded its approval to undertake four long-term project(s)/ programme(s)/ activity(ies) ('Ongoing/ Multiyear Projects') and it was proposed to contribute an amount of ~ ₹ 92.61 Lakh to DLF Foundation and ~ ₹ 54.69 lakh to Lal Chand Public Charitable Trust [aggregating to ~ ₹ 147.30 lakh], in one or more tranches. The Board has also approved an annual action plan for the financial year 2022-23 in compliance with the provisions of Section 135 of the Act read with rules made thereunder. A copy of the corporate social responsibility policy and the annual action plan is available at www.dlfemporio.com.

There has been no expenditure during the financial year 2022-23, accordingly the entire amount of ~ ₹ 147.30 lakh has been transferred to a separate bank account (unspent CSR account) in compliance to the provisions of Section 135(6) of the Act. Since, the Company has undertaken four Ongoing/ Multiyear Projects, the unspent amount of ₹ 147.30 lakh is required to be spent by the Company by 31st March 2026 in compliance with the provisions of the Act.

The Annual Report on CSR activities, as per the prescribed format under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is at **Annexure-B**.

Vigil Mechanism

Pursuant to Section 177 of the Act, the Company has in place a Vigil Mechanism policy namely 'DLF Emporio Limited - Vigil Mechanism' for establishing a vigil mechanism for Directors and employees to report instances of unethical and/ or improper conduct and to take suitable steps to investigate and correct the same. Directors, employees,

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vendors, customers or any person having dealings with the Company may report non-compliance of the policy to the noticed persons.

Mr. Giri Raj Shah has been authorised to hear the grievances of the stakeholders, employees and Directors and take steps, if required to resolve the issues amicably/ take appropriate action against the employee and make provision for direct access through an email or through a letter to Mr. Shah.

The Directors and management personnel maintain the confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discrimination.

The Vigil Mechanism is posted on your Company's website i.e. www.dlfemporio.com.

Auditors and Auditors' Report

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 23rd Annual General Meeting (AGM) till the conclusion of the 28th AGM of the Company to be held in the year 2027.

The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remarks or disclaimer.

The Emphasis of Matters given in the Auditors' Report on the financial statement are self-explanatory and do not call for any further comments.

Cost Records & Audit

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of cost records and appointment of Cost Auditor are not applicable to Company for the financial year under review.

Secretarial Audit

A.S. & Associates, Company Secretaries in practice was appointed as Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended 31st March 2023 is at **Annexure-C**. The said Report does

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not contain any qualification, reservation, adverse remarks or disclaimer.

Reporting of Frauds by Auditors

During the financial year under review, the auditors have not reported any instances of fraud committed by the Company or its officers under Section 143(12) of the Act.

Annual Return

In accordance with provisions of the Act, a copy of the Annual Return for the financial year ended 31st March 2023 is available on the website of the Company at weblink:

<https://www.dlfemporio.com/pdfs/Annual-Return-FY-2022-23.pdf>

Particulars of Loans, Guarantees, Securities and Investments

Particulars of loans, guarantees, securities and investments, if any, have been disclosed in the notes to the financial statement.

Transactions with Related Parties

The Company has adequate procedures for identification and monitoring of related party(ies) and related party transactions. None of the transactions with related parties fall under the scope of Section 188(1) of the Act.

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 its related parties. Information on transaction(s) with related party(ies) pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended, are given in Form No. AOC-2 at **Annexure-D**.

For details on related party transactions, members may refer to the notes to the financial statement.

Risk Management

The Board of Directors 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

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has put in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

The Statutory Auditors of the Company have reported that the Company has adequate internal financial controls system over financial reporting.

Internal Financial Controls and Systems

Internal financial controls are an integral part of the risk management process addressing amongst others financial and non-financial risks. The internal financial controls are 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.

The internal audit was entrusted to KPMG Assurance and Consulting Services LLP. The main thrust of internal audit was to test and review controls, appraisal of risks and business processes, besides benchmarking controls with the best industry practices. Further, the Board of Directors monitors the adequacy and effectiveness of your Company's internal control framework. Significant audit observations are followed-up and the actions taken were reported to the Board of Directors.

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

There are no significant material orders passed by the regulators/ courts which would impact the going concern status of the Company and its future operations. During the financial year under review, neither any application is made by the Company nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various training, awareness and practices.

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Your Company continues to follow a robust anti-sexual policy framed by DLF Cyber City Developers Limited ("DCCDL"), the holding company on 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace' in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH") and rules made thereunder. Internal Complaints Committee has been set-up by DCCDL to redress complaints received regarding sexual harassment at various workplaces in accordance with POSH. The Committee constituted in compliance with POSH ensures a free and fair enquiry process with clear timelines for resolution. To build awareness in this area, the Company has been conducting programmes on regular basis.

All employees of DCCDL including its subsidiaries (permanent, contractual, temporary, trainees) are covered under this policy. The policy is gender neutral.

During the financial year under review, no case was reported. DCCDL continues to promote the cause of women colleagues through 'Jagruti', all-women's forum for experience sharing, creating awareness on women's safety/ related issues, celebrating important days dedicated to women and organizing workshops on gender sensitivity.

Accolades

During the year under review, your Company/its Directors have been conferred with the following prestigious awards:

1. "LEED Zero Water" certification from U.S. Green Building Council;
2. "Most Admired Shopping Centre Company of the Year" award by MAPIC India 2022;
3. Five Star certifications in a comprehensive Five Star Occupational Health & Safety Audit conducted by British Safety Council in 2022;
4. "Sword of Honour Award" by an independent jury appointed by the British Safety Council for 2022.

Sword of Honour is the highest global award in the field of Occupational Health & Safety, which is awarded to the best of the best companies in the world, after they have achieved 'Five Star Rating' in Occupational Health & Safety by the British Safety Council (BSC).

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5. Ms. Pushpa Bector, Director of the Company has been conferred with the following awards:

(a) "Most Admired Shopping Centre Personality of the Year" by MAPIC India 2022";

(b) Women Icon of the Year at ET Business Leadership Awards.

Acknowledgement

Your Company continues to occupy respectful stature among stakeholders, most of all our valuable customers. Your Directors would like to express their sincere appreciation for assistance and co-operation received from the business partners, stakeholders, suppliers including financial institutions, banks, Central and State Government authorities, customers, tenants and other business associates. All of them have extended their valuable and sustained support and encouragement during the year under review. It will be the Company's endeavor to build and nurture the strong links with its stakeholders.

The Board is deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the DLF family.

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

Mr. Debaraj Sahoo
Director
(DIN: 08259815)

Pushpa Bector
Director
(DIN: 02917318)

08.05.2023
Gurugram

AK DW S R

ANNEXURE - 'A'

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

CONSERVATION OF ENERGY:

| | | |
|-------|--|---|
| (i) | The steps taken or impact on conservation of energy | 1. External lighting on programmable timers for efficient operation 2. Controlling of basement and unoccupied area lighting as per extant occupancy of the area. |
| (ii) | The steps taken by the Company for utilizing alternate sources of energy | Three in nos. electrical vehicle charging (EV) stations installed to promote alternate energy options and facilitate visiting guest electrical vehicles. |
| (iii) | The capital investment on energy conservation equipment | 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, are as where absorption has not taken place, and the reasons thereof | NIL |
| (iv) | The expenditure incurred on Research and Development. | NIL |

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**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(₹ in Lakh)

| S. No. | Particulars | 2022-23 | 2021-22 |
|--------|---|---------|---------|
| (i) | The Foreign Exchange earned in terms of actual inflows during the year; and | NIL | NIL |
| (ii) | The Foreign Exchange outgo during the year in terms of actual outflows. | NIL | NIL |

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


Mr. Debaraj Sahoo
Director
(DIN: 08259815)


Pushpa Bector
Director
(DIN: 02917318)

08.05.2023
Gurugram

ANNEXURE - 'A'

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

CONSERVATION OF ENERGY:

| | | |
|-------|--|---|
| (i) | The steps taken or impact on conservation of energy | 1. External lighting on programmable timers for efficient operation 2. Controlling of basement and unoccupied area lighting as per extant occupancy of the area. |
| (ii) | The steps taken by the Company for utilizing alternate sources of energy | Three in nos. electrical vehicle charging (EV) stations installed to promote alternate energy options and facilitate visiting guest electrical vehicles. |
| (iii) | The capital investment on energy conservation equipment | 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, are as where absorption has not taken place, and the reasons thereof | NIL |
| (iv) | The expenditure incurred on Research and Development. | NIL |

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C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lakh)

| S. No. | Particulars | 2022-23 | 2021-22 |
|--------|---|---------|---------|
| (i) | The Foreign Exchange earned in terms of actual inflows during the year; and | NIL | NIL |
| (ii) | The Foreign Exchange outgo during the year in terms of actual outflows. | NIL | NIL |

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

Mr. Debaraj Sahoo
Director
(DIN: 08259815)

Pushpa Bector
Director
(DIN: 02917318)

An J B

08.05.2023
Gurugram

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ANNEXURE - B

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year 2022-23

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company:

DLF Emporio Limited has implemented 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.

2. Composition of CSR Committee:

| S. No. | Name of Director | Designation/ Nature of Directorship | Number of meeting(s) of CSR Committee held during the year* | Number of meeting(s) of CSR Committee attended during the year |
|--------|--|---|---|--|
| 1. | Mr. Giri Raj Shah (Chairman) | Non-Executive Director | 2 | 2 |
| 2. | Mr. Yogendra Negi (Till 03.06.2022) | Non-Executive Director | 1 | 1 |
| 3. | Mr. Prashant Gaurav Gupta (Member) (Till 22.02.2023) | Non-Executive Director & Manager | 2 | 2 |
| 4. | Ms. Pushpa Bector (Member) (w.e.f. 04.06.2022) | Non-Executive Director | 1 | 1 |
| 5. | Mr. Debaraj Sahoo (Member) (w.e.f. 23.02.2023) | Non-Executive Director | -** | - |

* Number of meeting(s) held during the tenure of the respective member has been mentioned.

** No CSR Committee meetings were held during the tenure of Mr. Debaraj Sahoo, Member.

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- 3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

The composition of the CSR Committee can be viewed at https://www.dlfemporio.com/investors/constitution_of_corporate_social_responsibility_committee;

The CSR Policy approved by the Board can be viewed at <https://www.dlfemporio.com/investors/policies>; and

The CSR projects approved by the Board can be viewed at https://www.dlfemporio.com/pdfs/Emporio_Annual-action-plan.pdf

- 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

Not Applicable for the financial year 2022-23.

- 5(a). Average net profit of the company as per Section 135(5):**

₹ 7,365 lakh

- (b). Two percent of average net profit of the company as per Section 135(5):**

₹ 147.30 lakh

- (c). Surplus arising out of the CSR projects or programmes or activities of the previous financial years:**

Nil. However, the Company has earned interest of ₹ 3.03 lakh on the unspent CSR A/c for the financial year 2021-22.

- (d). Amount required to be set off for the financial year 2022-23, if any:**

NIL

- (e). Total CSR obligation for the financial year 2022-23 [(5(b)+5(c)-5(d))]:**

₹ 147.30 lakh

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**6 (a). Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

NIL

(b). Amount spent in Administrative Overheads:

NIL

(c). Amount spent on Impact Assessment, if applicable:

N.A.

(d). Total amount spent for the Financial Year [6(a)+6(b)+6(c)]

NIL

(e). CSR amount spent or unspent for the financial year 2022-23:

| Total Amount Spent for the financial year 2022-23 (₹ in lakh) | Amount Unspent (₹ in lakh) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| NIL | 147.30 | 25.04.2023 | - | - | - |

(f). Excess amount for set off, if any:

| Sl. No. | Particular | Amount (₹ in lakh) |
|---------|--|--------------------|
| (i) | Two percent of average net profit of the company as per Section 135(5) | 147.30 |
| (ii) | Total amount spent for the financial year 2022-23 | NIL |
| (iii) | Excess amount spent for the financial year 2022-23 [(ii)-(i)] | NIL |

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| | | |
|------|---|-----|
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |

7. Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding financial year(s) | Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in lakh) | Balance Amount in Unspent CSR Account under Section 135 (6) (₹ in lakh) | Amount spent in the financial year* (₹ in lakh) | Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any | | Amount remaining to be spent in succeeding financial years (₹ in lakh) | Deficiency, if any |
|---------|-----------------------------|---|---|---|--|------------------|--|--------------------|
| | | | | | Amount (₹ in lakh) | Date of transfer | | |
| 1. | 2021-22 | 191.66 | - | 191.66 | - | - | - | - |

*Note: Excludes interest income of ~ ₹ 3.04 lakh earned during the financial year 2022-23 with respect to unspent CSR account for financial year 2021-22 which has been spent in animal welfare project and contributed to DLF Foundation in accordance with the Board resolution dated 17th October 2022.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If yes, enter the number of Capital assets created/ acquired:

N.A.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

N.A.

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| (1) | (2) | (3) | (4) | (5) | (6) | | |
|---------|--|--------------------------------------|------------------|--|---|------|--------------------|
| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent (₹ in lakh) | Details of entity/ Authority/ beneficiary of the registered owner | | |
| | | | | | CSR Registration number, if applicable | Name | Registered address |
| 1. | - | - | - | - | - | - | - |
| 2. | - | - | - | - | - | - | - |
| | Total | - | - | - | - | - | - |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

The Board of Directors on the recommendation of the CSR Committee had approved CSR contribution for undertaking Ongoing/ Multiyear projects. Since all the projects are Ongoing/ Multiyear projects, the unspent amount has been transferred to a separate bank account ('DLF EMPORIO LTD UNSPENT CORPORATE SOCIAL RESPONSIBILITY ACCOUNT FY 2022-23') on 25th April 2023. In accordance with the provisions of Section 135(6), the said unspent amount is required to be spent by 31st March 2026.

**For and on behalf of the Board of Directors
OF DLF EMPORIO LIMITED**

Giri Raj Shah
(Chairman, CSR Committee)
(DIN:03436135)

Pushpa Bector
Director & Member
(DIN: 02917318)

Date: 08.05.2023
Place: Gurugram

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 31/03/2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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 Company'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 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, 2023 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, 2023 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; (Not Applicable)
- (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;(Not Applicable)
- (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)

DLF Emporio Limited -31.03.2023



AS & ASSOCIATES
COMPANY SECRETARIES

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- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; (Not Applicable)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not Applicable)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable)
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not Applicable), and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. (Not Applicable)
- (vi) The Company has developed a shopping mall-cum entertainment complex named DLF Emporio at Vasant Kunj, New Delhi and further leased out to various tenants; in view of this, 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 Company has not entered into Listing Agreements with Stock Exchange(s) pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;

Since the Company is an unlisted company, therefore, no activity to be reported under the Depositories Act, 1996 and the rules made thereunder. SCRA and the Regulations and Guidelines prescribed under the SEBI Act were not applicable to the Company. The Secretarial Standards issued by the ICSI were applicable during the period under review.

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

I further report that the Board of Directors of the Company is duly constituted with Non-Executive Directors. The Company is a wholly-owned subsidiary of DLF Cyber City Developers Limited (DCCDL) and is not required to appoint Independent Directors under Section 149 of the Act read with Rule 4(2) of the Companies (Appointment and Qualification of Directors) Rules 2014, as amended. 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 and/ or Committee Meetings. Except where for urgent business necessity at a shorter notice, agenda and detailed notes on agenda were

DLF Emporio Limited -31.03.2023



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sent as per the requirement of the Act read with Secretarial Standard-1. 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

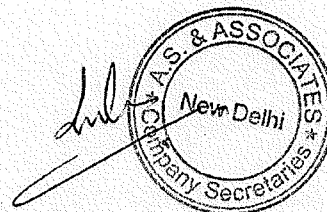
I further report that during the audit period:

- (i) there were no instances of Public/Right/Preferential issue of shares/ debentures/sweat equity, etc.
- (ii) there were no instances of Redemption/buy-back of securities.
- (iii) there were no instances of major decisions taken by the members in pursuance to Section 180 of the Act.
- (iv) (a) Regarding Merger/ amalgamation/ reconstruction, etc., as stated in the previous Secretarial Audit Reports, that in terms of the Board Resolution passed by the Board of Directors ('Board') of the Company at its meeting held on 25th February 2020, the Board has approved the Scheme of Amalgamation of Richmond Park Property Management Services Limited, the Holding Company with the DLF Emporio Limited with Appointed Date being opening hours of 1st April 2019 subject to the approval of the National Company Law Tribunal ('NCLT') or any other relevant authority /forum having jurisdiction to sanction /approve the same. Accordingly, the Joint Motion Petition were filed on behalf of both the Transferor Company and Transferee Company before the Hon'ble NCLT, Chandigarh Bench seeking sanction of the said Scheme of Amalgamation.

The Hon'ble NCLT, Chandigarh Bench, vide its Order dated 2nd March 2022 sanctioned the Scheme of Amalgamation. In terms of the Order of the Hon'ble NCLT, the Board of Directors at its meeting held on 24th March 2022 allotted 24,12,117 equity shares of ₹ 10/- each fully paid -up on the basis of the valuation report issued by Registered Valuer, to the shareholder of the Transferor company. Pursuant to the said allotment of equity shares, the Company ceases to be a subsidiary of Transferor Company and has become direct wholly owned subsidiary of DLF Cyber Developers Limited w.e.f. 24th March, 2022.

As required under section 232(7) of the Act, the Company in relation to the aforesaid Order dated 2nd March 2022 has filed a statement in the prescribed form with the Registrar of Companies, NCT of Delhi & Haryana, duly certified by a company secretary in practice indicating compliance with the order of the Tribunal dated 22nd October 2022.

DLF Emporio Limited -31.03.2023



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AS & ASSOCIATES
COMPANY SECRETARIES

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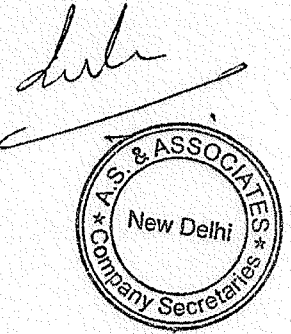
(b) During the year, in terms of the Board Resolution passed by the Board at its meeting held on 21st July 2022, the Board of Directors of the Company approved the Composite Scheme of Arrangement amongst DLF City Centre Limited, DLF Lands India Private Limited, DLF Info City Developers (Kolkata) Limited, DLF Emporio Limited (collectively, "the Transferor Companies") and DLF Assets Limited ("Demerged Company") with DLF Cyber City Developers Limited (hereinafter referred to as the 'Applicant Companies') and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 ("the Scheme"). The first motion application was jointly filed by the Applicant Companies with the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench on 24th February, 2023.

Except the above there were no other instances of Merger/ amalgamation/ reconstruction, etc., and

(v) there were no instances of Foreign technical collaborations.

Place: New Delhi
Date: 08.05.2023

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



UDIN of ICSI: F002856E000459103
Peer Review Certificate no. 1757/2022
Unique Identification Number: S2002DE057800

DLF Emporio Limited

11th Floor, Gateway Tower,
DLF City, Phase-III, Gurugram- 122 002,
Haryana, India
Tel. : (+91-124) 456 8900



Annexure-D

AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms' length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arms' length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2023, which were not at arm's length basis.

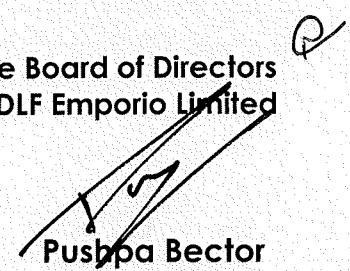
2. Details of material contracts or arrangements or transactions at Arms' length basis:

(₹ in Lakh)

| Name(s) of the related party and nature of Relationship | Nature of transaction | Duration of Transaction | Salient terms | Date(s) of Approval by the Board | Transaction Amount | Amount paid as advances, if any |
|---|-----------------------|-------------------------|--|----------------------------------|--------------------|---------------------------------|
| DLF Power & Services Limited, fellow subsidiary company | Availing of services | Financial year 2022-23 | The related party transactions were entered during the financial year at arm's length basis. | 20.01.2022 | 2,207.64 | NA |

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


Debaraj Sahoo
Director
(DIN: 08259815)


Pushpa Bector
Director
(DIN: 02917318)

08.05.2023
Gurugram



DLF EMPORIO LIMITED

FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of DLF Emporio Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of DLF Emporio Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the [Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

S.R. BATLIBOI & Co. LLP

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The Company has not paid or provided for any managerial remuneration during the year. Accordingly, provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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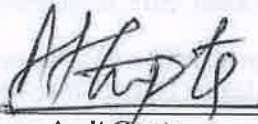
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- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Amit Gupta

Partner

Membership Number: 501396

UDIN: 23501396BGYBOV7267



Place of Signature: Gurugram

Date: May 8, 2023

S.R. BATLIBOI & Co. LLP

Chartered Accountants

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

Re: DLF Emporio Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) Property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) Title deeds of immovable properties included in investment properties are pledged with the lenders as security for securing long term borrowings availed by the holding company of the Company and are not available with the Company. The same has been confirmed by the lenders as at year end.

(d) The Company has not revalued its property, plant and equipment during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) The Company does not maintain inventories and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) The terms and conditions of the investments made, guarantee provided and security given to bank in relation to loan taken by the Holding Company in previous years are not prejudicial to the Company's interest. The Company has not granted loans and advances in nature of loans to firms, limited liability partnerships or other parties.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.



S.R. BATLIBOI & CO. LLP

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- (f) The Company has not granted any loans or advances in the nature of loans during the year, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv) Loans, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the products/services of the Company.
- vii) (a) Read together with Note 37 to the financial statements which states that the Company has deposited interest of ₹ 2.07 lacs on payment of goods and services tax, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including goods and services tax, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these 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 provident fund, employees' state insurance, value added tax, service tax, sales-tax, duty of excise and duty of custom are not applicable to the Company.

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Chartered Accountants

(b) The dues outstanding of income-tax, service tax and other statutory dues that have not been deposited on account of any dispute are as follows:

| Name of the statute | Nature of dues | Amount (₹ in lacs) | Period to which the amount relates | Forum where dispute is pending |
|--|-------------------------|-----------------------|--|---|
| Income-tax Act, 1961 | Income Tax | 1,046.70 | AY 2009-10 | Commissioner of Income Tax (Appeals) |
| Income-tax Act, 1961 | Income Tax | 51.99 | AY 2018-19 | Commissioner of Income Tax (Appeals) |
| Income-tax Act, 1961 | Income Tax | 7.72 | AY 2020-21 | Commissioner of Income Tax (Appeals) |
| Finance Act, 1994 | Service Tax | 277.92 | FY 2014-15 to 2017-18 | Principal Commissioner, Central GST, Delhi, South Commissionerate, New Delhi |
| Goods & Services Tax Act, 2017 | Goods & Services Tax | 7.04 | FY 2018-19 | Assistant Commissioner, GST, Delhi |
| Delhi Municipal Corporation Act, 1957, Delhi Prevention of Defacement of Property Act, 2007, Advertisement Bye- laws and Advertisement Policy, 2017 | Electricity Tax | 28.51* | FY 2018-22 | Commissioner, South Delhi Municipal Corporation |

*During the earlier years, the Company had made fixed deposits of ₹ 110.29 lacs (including interest accrued) with lien marked in favour of Commissioner, South Delhi Municipal Corporation.

There are no dues of other statutory dues which have not been deposited on account of any dispute. The provisions relating to provident fund, employees' state insurance, value added tax, sales-tax, duty of excise and duty of custom are not applicable to the Company.

- viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

- (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis aggregating to ₹ 26,844.01 lacs in the form of borrowings from related parties and other current liabilities for long-term purposes representing acquisition of investment property and other assets.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- x) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), clause 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- xiii) Transactions with the related parties are in compliance with sections 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.



S.R. BATLIBOI & CO. LLP

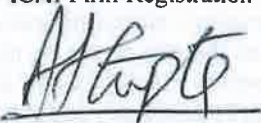
Chartered Accountants

- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix) On the basis of the financial ratios disclosed in Note 29B to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by ₹ 26,844.01 lacs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that the Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.
- We, further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub-section (5) of section 135 of the Act. This matter has been disclosed in Note 38 to the financial statements.
- (b) All amounts that are unspent under sub-section of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub-section (6) of section 135 of the said Act. This matter has been disclosed in Note 38 to the financial statements.
- xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 23501396BGYBOV7267

Place of Signature: Gurugram

Date: May 8, 2023



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of DLF Emporio Limited ("the Company")

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 with reference to financial statements of DLF Emporio Limited ("the Company") as of March 31, 2023 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 ("ICAI"). 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 with reference to these 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 Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with reference to these Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Amit Gupta**

Partner

Membership Number: 501396

UDIN: 23501396BGYBOV7267



Place of Signature: Gurugram

Date: May 8, 2023

DLF Emporio Limited
Balance Sheet as at March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

| | Notes | March 31, 2023 | March 31, 2022 |
|--|-------|--------------------|--------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 6.34 | 3.14 |
| Investment property | 4 | 34,024.07 | 34,646.39 |
| Investment property under development | 4 | 321.52 | 105.10 |
| Financial assets | | | |
| Investments | 5 | 87,637.09 | 75,628.63 |
| Other financial assets | 6 | 170.44 | 165.60 |
| Non-current tax assets (net) | 7 | 423.75 | 1,355.28 |
| Other non-current assets | 8 | 70.67 | 204.41 |
| Total non-current assets | | 1,23,453.88 | 1,12,108.55 |
| Current assets | | | |
| Financial assets | | | |
| Trade receivables | 9 | 683.59 | 492.25 |
| Cash and cash equivalents | 10 | 8.73 | 8.30 |
| Other bank balances | 11 | 1,617.79 | 920.80 |
| Other financial assets | 6 | 3.78 | 3.78 |
| Other current assets | 8 | 311.30 | 428.69 |
| Total current assets | | 2,625.19 | 1,853.82 |
| TOTAL ASSETS | | 1,26,079.07 | 1,13,962.37 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 12 | 464.54 | 464.54 |
| Other equity | 13 | 89,696.39 | 71,665.59 |
| Total equity | | 90,160.93 | 72,130.13 |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Other financial liabilities | 14 | 1,503.63 | 1,175.13 |
| Deferred tax liabilities (net) | 15 | 4,891.42 | 2,221.45 |
| Other non-current liabilities | 16 | 53.89 | 101.33 |
| Total non-current liabilities | | 6,448.94 | 3,497.91 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowing | 17 | 20,860.00 | 29,060.00 |
| Trade payables | 18 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 9.25 | 30.26 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 41.77 | 508.31 |
| Other financial liabilities | 19 | 7,528.03 | 8,026.11 |
| Other current liabilities | 20 | 1,030.15 | 581.87 |
| Current tax liabilities (net) | 21 | | 127.78 |
| Total current liabilities | | 29,469.20 | 38,334.33 |
| Total liabilities | | 35,918.14 | 41,832.24 |
| TOTAL EQUITY AND LIABILITIES | | 1,26,079.07 | 1,13,962.37 |

Summary of significant accounting policies 2.2

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

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

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

Giri Raj Shah
Director
DIN: 03436135

Pushpa Bector
Director
DIN: 02917318

Place : Gurugram
Date : May 8, 2023

Place : Gurugram
Date : May 8, 2023



DLF Emporio Limited

Statement of Profit and Loss for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

| | Notes | March 31, 2023 | March 31, 2022 |
|--|-------|------------------|------------------|
| Revenue | | | |
| Revenue from operations | 22 | 17,759.97 | 12,794.16 |
| Other income | 23 | 675.32 | 316.94 |
| Total income | | 18,435.29 | 13,111.10 |
| Expenses | | | |
| Cost of power, fuel and facility maintenance expenses | 24 | 3,031.19 | 2,444.53 |
| Finance costs | 25 | 2,306.19 | 2,736.87 |
| Depreciation expense | 26 | 846.11 | 852.18 |
| Other expenses | 27 | 1,030.95 | 991.18 |
| Total expenses | | 7,214.44 | 7,024.76 |
| Profit before tax | | 11,220.85 | 6,086.34 |
| Tax expense | | | |
| | 28 | | |
| Current tax (including earlier years) | | 2,528.54 | 1,696.86 |
| Deferred tax (Including earlier years) | | (127.52) | (192.56) |
| Profit after tax | | 8,819.83 | 4,582.04 |
| Other comprehensive income | | | |
| Gain on equity instruments through other comprehensive income | | 12,008.46 | 832.05 |
| Income tax effect | | (2,797.49) | (193.83) |
| Total comprehensive income for the year | | 18,030.80 | 5,220.26 |
| Earnings per equity share (₹) (Face value of ₹ 10 per share)(March 31, 2022: ₹10 l) | | | |
| | 29 | | |
| Basic earning per share (in ₹) | | 189.86 | 92.51 |
| Diluted earning per share (in ₹) | | 189.86 | 92.51 |
| Summary of significant accounting policies | 2.2 | | |

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

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No : 301003E/ E300005

per Amit Gupta
Partner
Membership Number: 501396



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

Giri Raj Shah
Director
DIN: 03436135

Pushpa Bector
Director
DIN: 02917318

Place : Gurugram

Date : May 8, 2023

Place : Gurugram

Date : May 8, 2023



DLF Emporio Limited
Statement of changes in equity for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

A Equity share capital

Changes in equity share capital for the year ended March 31, 2023

| Particulars | Balance as at April 1, 2022 | Changes due to prior period errors | Restated balance as at April 1, 2022 | Changes during the year | Balance as at March 31, 2023 |
|----------------------|-----------------------------|------------------------------------|--------------------------------------|-------------------------|------------------------------|
| Equity share capital | 464.54 | - | 464.54 | - | 464.54 |

Changes in equity share capital for the year ended March 31, 2022

| Particulars | Balance as at April 1, 2021 | Changes due to prior period errors | Restated balance as at April 1, 2021 | Changes during the year (refer note 41) | Balance as at March 31, 2022 |
|----------------------|-----------------------------|------------------------------------|--------------------------------------|---|------------------------------|
| Equity share capital | 495.90 | - | 495.90 | (31.36) | 464.54 |

B Other equity (refer note 13)

| Particulars | Reserves and surplus | | | | | Equity instruments through other comprehensive income | Total other equity |
|---|----------------------|----------------------------|-----------------|-----------------|-------------------|---|--------------------|
| | Securities premium | Capital redemption reserve | Capital reserve | General reserve | Retained earnings | | |
| Balance as at April 1, 2021 | 4,455.00 | 4.10 | - | 13,125.00 | 61,653.93 | 619.29 | 79,857.32 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - |
| Restated balance as at April 1, 2021 | 4,455.00 | 4.10 | - | 13,125.00 | 61,653.93 | 619.29 | 79,857.32 |
| Profit for the year | - | - | - | - | 4,582.04 | - | 4,582.04 |
| Impact of scheme of amalgamation (refer note 41) | (2,450.25) | - | (239.62) | - | (10,722.12) | - | (13,411.99) |
| Other comprehensive income for the year | - | - | - | - | - | 638.22 | 638.22 |
| Balance as at March 31, 2022 | 2,004.75 | 4.10 | (239.62) | 13,125.00 | 55,513.85 | 1,257.51 | 71,665.59 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - |
| Restated balance as at March 31, 2022 | 2,004.75 | 4.10 | (239.62) | 13,125.00 | 55,513.85 | 1,257.51 | 71,665.59 |
| Profit for the year | - | - | - | - | 8,819.83 | - | 8,819.83 |
| Other comprehensive income for the year | - | - | - | - | - | 9,210.97 | 9,210.97 |
| As at March 31, 2023 | 2,004.75 | 4.10 | (239.62) | 13,125.00 | 64,333.68 | 10,468.48 | 89,696.39 |

The accompanying notes forms an integral part of these financial statements

As per our report of even date


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


 per Anil Gupta
 Partner
 Membership Number: 501396



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


 Giri Raj Shah
 Director
 DIN: 03436135


 Pushpa Bector
 Director
 DIN: 02917318

Place: Gurugram
 Date: May 8, 2023

Place: Gurugram
 Date: May 8, 2023



DLF Emporio Limited
Statement of cash flow for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|---|--------------------|--------------------|
| A. Cash flow from operating activities | | |
| Profit before tax | 11,220.85 | 6,086.34 |
| Adjustment for: | | |
| Interest expense | 2,148.81 | 2,494.00 |
| Provision for doubtful debts | 7.41 | 186.53 |
| Amount forfeited on properties | (26.24) | |
| Provision for advances | 112.41 | |
| Unclaimed balances and excess provisions written back | (323.22) | (3.25) |
| Dividend income | (0.67) | (0.67) |
| Depreciation expense | 846.11 | 852.18 |
| Rent straightlining | 187.74 | 360.07 |
| Financial liability measured at amortised cost (net) | 11.41 | (17.95) |
| Interest income | (55.28) | (257.89) |
| Operating profit before working capital changes | 14,129.33 | 9,699.36 |
| Adjustment for change in working capital: | | |
| Decrease in trade receivables | 124.48 | 195.55 |
| Increase in loans, financial and other assets | (39.56) | (7.62) |
| (Decrease)/Increase in trade payables | (487.55) | 43.80 |
| Increase in financial and other liabilities | 602.85 | 701.31 |
| Cash flow from operations | 14,329.55 | 10,632.40 |
| Income tax paid (net of refunds) | (1,724.84) | (1,570.51) |
| Net cash flow from operating activities | 12,604.71 | 9,061.89 |
| B. Cash flow from investing activities | | |
| Purchase of property, plant and equipment and investment property (including investment property under development) | (1,258.72) | (91.28) |
| (Investments in)/ proceeds from fixed deposits (net) | (724.20) | 1,094.55 |
| Decrease in other bank balances | 22.38 | 21,132.36 |
| Dividend received | 0.67 | 0.67 |
| Interest received | 45.83 | 989.55 |
| Net cash flow from investing activities | (1,914.04) | 23,125.85 |
| C. Cash flow from financing activities | | |
| Repayment of long term borrowings | | (47,112.32) |
| Proceeds from short term borrowings | 15,500.00 | 26,000.00 |
| Repayment of short term borrowings | (23,700.00) | (9,500.00) |
| Interest paid | (2,490.24) | (1,575.25) |
| Net cash used in financing activities | (10,690.24) | (32,187.57) |
| Net decrease in cash and cash equivalents (A+B+C) | 0.43 | 0.17 |
| Cash and cash equivalents at the beginning of the year | 8.30 | 1.65 |
| Cash and cash equivalents acquired pursuant to the scheme of amalgamation (refer note 41) | - | 6.48 |
| Cash and cash equivalents at the end of the year (refer note 10) | 8.73 | 8.30 |

Summary of significant accounting policies 2.2
The accompanying notes forms an integral part of these financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

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


Giri Raj Shah
Director
DIN: 03436135


Pushpa Bector
Director
DIN: 02917318

Place : Gurugram
Date : May 8, 2023

Place : Gurugram
Date : May 8, 2023



1. Corporate information

Nature of principal activities

DLF Emporio Limited (“the Company”) is a public company domiciled in India and has its registered office in Gurugram, Haryana. The Company was incorporated on March 17, 1999 under the provisions of Indian Companies Act. The registered office of the Company is located at Shopping Mall, Phase-I, DLF City, Gurugram, Haryana.

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, 2023 were authorized and approved for issue by the Board of Directors on May 8, 2023.

2. Significant accounting policies

2.1 Basis of preparation

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

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

The financial statements have been presented in Indian Rupees (₹) and all values have been rounded to the nearest lacs, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) 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.

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

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

Revenue is recognized as follows:

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

- i) Rental income is recognised on a straight-line basis over the term of the lease, except for contingent rental income which is recognised when it arises. Refer note 2(g) for policy relating to recognition of rental income.
- ii) Revenue in respect of maintenance services is recognised over time, in accordance with the terms of the respective contract.
- iii) Interest income is recorded on accrual basis using the effective interest rate (EIR) method.
- iv) Advertisement/promotional income is recognised on accrual basis in accordance with the terms of the agreement.
- v) Parking income includes revenue earned from the operations of the parking facilities, which is recognised when the services are rendered.



Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

c) 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.

d) Property, plant and equipment

Recognition and initial measurement

Property, 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 Act:

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

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

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.

e) Investment property

Recognition and initial measurement

Investment property is property held to earn rentals or for capital appreciation, or both. Investment property is 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 property is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Act:

| Asset category | Estimated useful life (in years) |
|-----------------------|---|
| Buildings | 60 |
| Plant and equipments | 3-15 |

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

Transition to Ind AS

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

f) Foreign currencies

Functional and presentation currency

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

Transactions and balances

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

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

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



g) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right to use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(h) for impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in interest-bearing loans and borrowings.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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 straight line basis over the lease term and is included in revenue in the Statement of Profit and Loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and



capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

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.

Non-derivative financial liabilities

Initial recognition and measurement

All non-derivative 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 non-derivative 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) Compound financial instrument

Compound financial instrument are separated into liability and equity components based on the terms of the contract. On issuance of the said instrument, the liability component is arrived by discounting the gross sum at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

k) Impairment of financial assets

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

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

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

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.

l) Income Taxes

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

Current income tax

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

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. 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) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST, except:

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

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

m) Cash and cash equivalents

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

n) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

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



o) Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

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

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Property lease classification – Company as lessor

The Company has entered into retail property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Determining the lease term of contracts with renewal and termination options– Company as lessor

As a lessor, the Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not the lessee shall exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for the lessee to exercise either the renewal or termination.

During the year, the Company has neither included the renewal period nor the period covered by an option to terminate the lease as part of the lease term for buildings given to leases to tenants considering the following:

- i. Option of renewal of lease term is solely at the option of lessee and the Company is not reasonably certain that the lessee may exercise the option of renewal, as this is outside the control of the Company.
- ii. Considering the current market dynamics of rental market, the Company has estimated that lease term for the leases will be 'non- cancellable' period.

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to **note 4 (vi)** for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Estimates

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.

Impairment of financial assets – 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.

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 property 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.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain company specific estimates.

Useful lives of depreciable/amortisable 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.

2.3 Changes in accounting policies and disclosures

New and amended standards that have an impact on the Company’s financial statements, performance and/or disclosures.

There were certain amendments that apply for the first time for the year ending March 31, 2023, but do not have a material impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

(i) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI’s “*Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards*” with the reference to the “*Conceptual Framework for Financial Reporting under Indian Accounting Standard*” without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 *Business Combinations* to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 *Provisions, Contingent Liabilities and Contingent Assets* or Appendix C, *Levies*, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the *Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards*.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments did not have any impact on the Company.



(ii) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments did not have any impact on the Company.

(iii) Ind AS 109 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments did not have any impact on the Company.

(iv) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments did not have any impact on the Company.

2.4 Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) vide its notification dated March 31, 2023, has made certain amendments in Companies (Indian Accounting Standard Rules), 2015. Such amendments shall come into force with effect from April 1, 2023, but do not have a material impact on the financial statements of the Company:

(i) Ind AS 1: Presentation of Financial Statements

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. Consequential amendments have been made in Ind AS 107 also.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023. The amendments are not expected to have a material impact financial statement of the Company.

(iii) Ind AS 12: Income Taxes

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.



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Notes to the financial statement for the year ended March 31, 2023
(All amount in ₹ lacs, unless otherwise stated)

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The Company is currently assessing the impact of the amendments.



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D.I.F Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

3 Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 and March 31, 2022 are as follows:

| | Office equipment | Total |
|---------------------------------|-------------------------|---------------------|
| Gross block | | |
| As at April 1, 2021 | 15.48 | 15.48 |
| Additions | - | - |
| Disposals/adjustment | - | - |
| As at March 31, 2022 | <u>15.48</u> | <u>15.48</u> |
| Additions | 5.57 | 5.57 |
| Disposals/adjustment | - | - |
| As at March 31, 2023 | <u>21.05</u> | <u>21.05</u> |
| Accumulated depreciation | | |
| As at April 1, 2021 | 10.84 | 10.84 |
| Charge for the year | 1.50 | 1.50 |
| Disposals / adjustments | - | - |
| As at March 31, 2022 | <u>12.34</u> | <u>12.34</u> |
| Charge for the year | 2.37 | 2.37 |
| Disposals/adjustment | - | - |
| As at March 31, 2023 | <u>14.71</u> | <u>14.71</u> |
| Net block | | |
| As at March 31, 2022 | 3.14 | 3.14 |
| As at March 31, 2023 | 6.34 | 6.34 |

(i) **Contractual obligations**

The Company does not have any contractual commitments for acquisition of property, plant and equipment as at March 31, 2023 and March 31, 2022.

(ii) **Capitalised borrowing cost**

The Company has not capitalised any borrowing cost during the year ended March 31, 2023 and the year ended March 31, 2022.

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

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

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4 Investment property and investment property under development

The changes in the carrying value of investment property and investment property under development for the year ended March 31, 2023 and March 31, 2022 are as follows

| | Land | Buildings | Plant and equipment | Total | Investment property under development | Total |
|---------------------------------|-----------|-----------|---------------------|-----------|---------------------------------------|-----------|
| Gross block | | | | | | |
| As at April 1, 2021 | 18,477.14 | 17,471.01 | 4,303.69 | 40,251.84 | - | 40,251.84 |
| Additions | - | 14.09 | 7.59 | 21.68 | 105.10 | 126.77 |
| Disposals/adjustment | - | - | - | - | - | - |
| As at March 31, 2022 | 18,477.14 | 17,485.10 | 4,311.28 | 40,273.52 | 105.10 | 40,378.62 |
| Additions (refer note 4(ix)) | 1,021.41 | - | - | 1,021.41 | 216.42 | 1,237.83 |
| Disposals/adjustment | - | (17.92) | - | (17.92) | - | (17.92) |
| As at March 31, 2023 | 19,498.55 | 17,467.18 | 4,311.28 | 41,277.01 | 321.52 | 41,598.53 |
| Accumulated depreciation | | | | | | |
| As at April 1, 2021 | - | 1,937.77 | 2,838.67 | 4,776.44 | - | 4,776.44 |
| Charge for the year | - | 339.54 | 511.15 | 850.68 | - | 850.68 |
| Disposals/adjustments | - | - | - | - | - | - |
| As at March 31, 2022 | - | 2,277.31 | 3,349.81 | 5,627.12 | - | 5,627.12 |
| Charge for the year | - | 332.64 | 511.10 | 843.74 | - | 843.74 |
| Disposals/adjustment | - | (17.92) | - | (17.92) | - | (17.92) |
| As at March 31, 2023 | - | 2,592.03 | 3,860.91 | 6,452.94 | - | 6,452.94 |
| Net block | | | | | | |
| As at March 31, 2022 | 18,477.14 | 15,207.79 | 961.47 | 34,646.39 | 105.10 | 34,751.49 |
| As at March 31, 2023 | 19,498.55 | 14,875.15 | 450.37 | 34,824.07 | 321.52 | 35,145.59 |

Ageing of investment property under development during year ended March 31, 2023

| Particulars | Amount | | | | Total |
|----------------------|------------------|-----------|-----------|------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 year | |
| Projects in progress | 216.42 | 105.10 | - | - | 321.52 |

Ageing of investment property under development during year ended March 31, 2022

| Particulars | Amount | | | | Total |
|----------------------|------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 105.10 | - | - | - | 105.10 |

As on March 31, 2023 and March 31, 2022, there is no project classified as investment properties under development whose completion is overdue or has exceeded the cost, based on original approved plan.

(i) Contractual obligations

Refer note 35 for disclosure of contractual commitments for the acquisition of investment property.

(ii) Capitalised borrowing cost

The Company has not capitalised any borrowing cost during the year ended March 31, 2023 and the year ended March 31, 2022.

(iii) Investment property pledged as security

The title deeds of immovable property held in the name of the Company amounting to ₹ 19,498.55 lacs along with building constructed on said land having net block of ₹ 14,875.15 lacs are pledged with bank against borrowings taken by the holding company from the said bank and are not physically available with the Company.

(iv) Additions includes ₹ Nil (March 31, 2022: ₹ 14.09 lacs) capitalized as brokerage expense in Building under the head "Investment Property" in accordance with the Ind AS 116 "Leases" and depreciated over the lease term.

(v) Amount recognised in statement of Profit and Loss for Investment property.

| Particulars | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| Rental income | 14,344.81 | 10,451.88 |
| Direct operating expenses that generated rental income | (509.51) | (235.21) |
| Direct operating expenses that did not generated rental income | - | - |
| Profit from leasing of investment property before depreciation | 13,835.30 | 10,216.67 |
| Depreciation expense | (843.74) | (850.68) |
| Profit from leasing of investment property after depreciation | 12,991.56 | 9,365.99 |



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Notes to the financial statements for the year ended March 31, 2023

*(All amounts in ₹ lacs, unless otherwise stated)***(vi) Operating lease commitments- as a lessor**

The Company has entered into operating leases on its investment property portfolio consisting of retail building (see Note 23). These leases have terms of between 3 and 9 years. All leases include a clause to enable upward revision of the rental charge as per the agreement and according to prevailing market conditions.

| Particulars | March 31, 2023 | March 31, 2022 |
|--|-----------------|-----------------|
| Upto one year | 7,057.04 | 6,772.64 |
| After one year but not more than 5 years | 1,449.65 | 1,664.02 |
| More than five years | - | - |
| Total | 8,506.69 | 8,436.66 |

(vii) Fair Value of investment properties

| Particulars | March 31, 2023 | March 31, 2022 |
|-------------------------------------|----------------|----------------|
| Fair Value of investment properties | 1,63,940.00 | 1,44,560.00 |

The fair value of investment property has been determined by external, independent registered property valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued in conjunction with valuer assessment services undertaken by international property consultant. The Company obtains independent valuation for its investment property at least annually and fair value measurements are categorized as level 3 measurement in the fair value hierarchy.

The valuation has been taken as an average of values arrived using the following methodologies:

- 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

The fair value of investment property and investment property under development has been computed by the Valuer as an average of fair values derived using above two methods.

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

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

(viii) 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 |
|----------------------|------------------|--------------------------|------------------|
| 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 |

(ix) During the year, the Company has paid ₹ 1,021.41 lacs and ₹ 52.99 lacs pertaining to additional FAR charges and cess charges respectively to South Delhi Municipal Corporation ("SDMC") for availing additional FAR of 7,074.55 sq.mt. The same has been sanctioned by SDMC on February 20, 2023 and accordingly, these charges have been capitalised under the head "Land" and "Investment Property under development" respectively.

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DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|--|------------------|------------------|
| 5 Investments - non current | | |
| In compulsory convertible preference shares | | |
| Paliwal Real Estate Limited (refer note 5.1) | 76,505.00 | 65,325.00 |
| - 6,50,00,000 (March 31, 2022: 6,50,00,000) 5% Non-cumulative compulsory convertible preference shares of ₹ 100 each | | |
| DLF Assets Limited (refer note 5.2) | 11,132.09 | 10,303.63 |
| - 67,30,000 (March 31, 2022: 67,30,000) 0.01% Compulsory convertible preference shares of ₹ 100 each | | |
| | 87,637.09 | 75,628.63 |

5.1 In accordance with provisions of Ind AS 109 "Financial Instruments" and Ind AS 32 "Financial instruments: Presentation", the Company has classified the above instrument as "Equity Instrument" and has measured the same at fair value through other comprehensive income and has accordingly, recognised a gain of ₹ 11,180.00 lacs (March 31, 2022: ₹ 260.00 lacs) (deferred tax thereon ₹ 2,604.49 lacs (March 31, 2022: ₹ 60.57 lacs)) in other comprehensive income. The fair value of non-cumulative compulsorily convertible preference shares is as per the fair valuation report of an external valuer, which has been determined using discounted cash flow method.

5.2 In accordance with provisions of Ind AS 109 "Financial Instruments" and Ind AS 32 "Financial instruments: Presentation", the Company has classified the above instrument as "Equity Instrument" and has measured the same at fair value through other comprehensive income and has accordingly, recognised a gain of ₹ 828.46 lacs (March 31, 2022: ₹ 572.05) (deferred tax thereon ₹ 193.00 lacs (March 31, 2022: ₹ 135.26)) in other comprehensive income. The fair value of compulsorily convertible preference shares is as per the fair valuation report of an external valuer, which has been determined using discounted cash flow method.

| | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2023 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| 6 Other financial assets | | | | |
| Bank deposits with maturity more than 12 months (refer note 35) | 110.29 | 105.45 | - | - |
| Security deposits | 60.15 | 60.15 | - | - |
| Interest accrued on security deposit | - | - | 3.78 | 3.78 |
| | 170.44 | 165.60 | 3.78 | 3.78 |

| | Non-current | |
|---|----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| 7 Non current tax assets (net) | | |
| Advance income tax (net of provisions for tax)(refer note 35) | 423.75 | 1,355.28 |
| | 423.75 | 1,355.28 |

| | Non-current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | March 31, 2023 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| 8 Other assets | | | | |
| Advance to suppliers | - | - | 226.34 | 162.04 |
| Unbilled receivables* | 70.67 | 204.41 | 77.16 | 121.09 |
| Balance with statutory authorities | - | - | 7.64 | 58.68 |
| Prepaid expenses | - | - | 112.57 | 86.88 |
| | 70.67 | 204.41 | 423.71 | 428.69 |
| Less: Impairment of non financial assets | - | - | (112.41) | - |
| | 70.67 | 204.41 | 311.30 | 428.69 |

* includes ₹ 137.47 lacs (March 31, 2022: ₹ 325.21 lacs) on account of straightlining of rental income

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DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

| | Current | |
|--|----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| 9 Trade receivables | | |
| Related parties (refer note 39) | | |
| Secured, considered good | 16.42 | 34.11 |
| Unsecured, considered good | 8.10 | 16.69 |
| Others | | |
| Secured, considered good | 659.07 | 441.15 |
| Unsecured | | |
| - Considered good | | |
| - Considered doubtful | 22.36 | 319.81 |
| | 705.95 | 812.06 |
| Less: Allowance for expected credit loss | (22.36) | (319.81) |
| | 683.59 | 492.25 |

Ageing for trade receivable for the year ended March 31, 2023*:

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|-------------------|--------------|--------------|-------------------|---------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 495.77 | 122.60 | 41.25 | 5.41 | 18.57 | 683.60 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | 5.19 | 2.51 | 1.68 | 7.09 | 3.88 | 22.35 |
| (iv) Disputed Trade Receivables- considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| Total | 500.96 | 125.11 | 42.93 | 12.50 | 24.45 | 705.95 |

Ageing for trade receivable for the year ended March 31, 2022*:

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|-------------------|--------------|-------------|-------------------|---------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 29.92 | 428.80 | 11.49 | 2.88 | 19.16 | 492.25 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | 12.00 | 2.28 | 16.72 | 7.05 | 0.13 | 38.18 |
| (iv) Disputed Trade Receivables- considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | 127.31 | 106.26 | 48.06 | - | - | 281.63 |
| Total | 169.23 | 537.34 | 76.27 | 9.93 | 19.29 | 812.06 |

* Unadjusted credit in the customer account have been adjusted in the earliest outstanding for the respective customer.

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DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|-------------------------------------|----------------|----------------|
| 10 Cash and cash equivalents | | |
| Balances with banks | | |
| In current account | 8.73 | 8.30 |
| | 8.73 | 8.30 |

10.1 Changes in liabilities arising from financing activities

| | April 1, 2022 | Cash flows on account of merger | Cash flows | Charged to Statement of Profit & Loss | March 31, 2022 |
|--|------------------|---------------------------------|------------------|---------------------------------------|------------------|
| Borrowings from related parties (including interest) | 30,988.12 | - | 10,690.24 | 2,148.81 | 22,446.69 |
| Total | 30,988.12 | - | 10,690.24 | 2,148.81 | 22,446.69 |

| | April 1, 2021 | Cash flows on account of merger (refer note 41) | Cash flows | Charged to Statement of Profit & Loss | March 31, 2022 |
|--|------------------|---|------------------|---------------------------------------|------------------|
| Borrowings from banks and related parties (including interest) | 47,214.06 | (13,467.99) | 32,187.57 | 2,493.64 | 30,988.12 |
| Total | 47,214.06 | (13,467.99) | 32,187.57 | 2,493.64 | 30,988.12 |

| | March 31, 2023 | March 31, 2022 |
|---|-----------------|----------------|
| 11 Other bank balances | | |
| In Escrow account (held as margin money as security against borrowings) | 187.58 | 209.96 |
| Bank deposits with maturity more than 3 months but less than 12 months | 1,430.21 | 710.84 |
| | 1,617.79 | 920.80 |

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DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lakhs, unless otherwise stated)

| | March 31, 2023 | | March 31, 2022 | |
|--|------------------|---------------|------------------|---------------|
| | No. of shares | Amount | No. of shares | Amount |
| 12 Share capital | | | | |
| 12.1 Equity share capital | | | | |
| (a) Authorised equity share capital | | | | |
| Equity shares of ₹ 10 each | 49,68,000 | 496.80 | 49,68,000 | 496.80 |
| | 49,68,000 | 496.80 | 49,68,000 | 496.80 |
| (b) Issued, subscribed and paid up | | | | |
| Equity shares of ₹ 10 each | 46,45,367 | 464.54 | 46,45,367 | 464.54 |
| | 46,45,367 | 464.54 | 46,45,367 | 464.54 |
| (i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year | | | | |
| At the beginning of the year | 46,45,367 | 464.54 | 49,59,000 | 495.90 |
| Issued during the year | - | - | 24,12,117 | 241.21 |
| Cancellation of shares on account of scheme of amalgamation (refer note 41) | - | - | (27,25,750) | (272.57) |
| Outstanding at the end of the year | 46,45,367 | 464.54 | 46,45,367 | 464.54 |

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

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

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

| Name of the shareholder | March 31, 2023 | | March 31, 2022 | |
|--|----------------|-----------|----------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| Equity Shares | | | | |
| DLF Cyber City Developer Limited and its nominees, holding company | 46,45,367 | 100 | 46,45,367 | 100 |

(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, 2023 | | March 31, 2022 | |
|---|----------------|-------------|----------------|-------------|
| | No. of shares | Amount | No. of shares | Amount |
| 12.2 Preference share capital | | | | |
| Authorised preference share capital | | | | |
| 12% non-cumulative redeemable preference shares of ₹ 100 each | 200 | 0.20 | 200 | 0.20 |
| 9% non-cumulative redeemable preference shares of ₹ 100 each | 8,000 | 8.00 | 8,000 | 8.00 |
| | 8,200 | 8.20 | 8,200 | 8.20 |

13 Other equity

| | March 31, 2023 | March 31, 2022 |
|---|------------------|------------------|
| Reserves and surplus | | |
| Securities premium | 2,004.75 | 2,004.75 |
| Capital redemption reserve | 4.10 | 4.10 |
| General reserve | 13,125.00 | 13,125.00 |
| Capital reserve | (239.62) | (239.62) |
| Retained earnings | 64,333.68 | 55,513.85 |
| Equity instruments through other comprehensive income | 10,468.48 | 1,257.51 |
| | 89,696.39 | 71,665.59 |

Nature and purpose of other reserves

Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

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.

General reserve

Balance lying in general reserve represents amount transferred from debenture redemption reserve at the time of redemption of non-convertible debentures.

Capital reserve

Capital reserve has been created pursuant to Scheme of Amalgamation of Richmond Park Property Management Services Limited with the Company (refer note 41) and is not available for distribution to the shareholders.

Equity instruments through other comprehensive income

The Company has elected to recognize changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the equity instruments through other comprehensive income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.



| | March 31, 2023 | March 31, 2022 |
|---|-----------------|-----------------|
| 14 Other financial liabilities | | |
| Security deposits received from tenants | 1,503.63 | 1,175.13 |
| | 1,503.63 | 1,175.13 |
| 15 Deferred tax liabilities (net) | | |
| Deferred tax liabilities arising on account of: | | |
| Deduction claimed under Section 24(b) of the Income-tax Act, 1961 | 1,706.02 | 1,799.95 |
| Rent straightlining | 28.02 | 66.29 |
| Fair valuation of investments | 3,177.34 | 379.84 |
| Financial liabilities measured at amortised cost | 1.94 | 4.26 |
| Deferred tax assets arising on account of: | | |
| Expenses to be allowed in subsequent years on payment basis | (21.89) | (28.89) |
| | 4,891.42 | 2,221.45 |

Movement in deferred tax liabilities during the year ended March 31, 2023

| Particulars | April 1, 2022 | Recognised in statement of profit and loss | Recognised in other comprehensive income | March 31, 2023 |
|---|-----------------|--|--|-----------------|
| Assets | | | | |
| Investment property | 1,799.95 | (93.93) | - | 1,706.02 |
| Unbilled receivables | 66.29 | (38.27) | - | 28.02 |
| Investments | 379.84 | - | 2,797.49 | 3,177.34 |
| Liabilities | | | | |
| Financial liabilities measured at amortised cost | 4.26 | (2.32) | - | 1.94 |
| Expenses to be allowed in subsequent years on payment basis | (28.89) | 7.00 | - | (21.89) |
| Total | 2,221.45 | (127.53) | 2,797.49 | 4,891.42 |

Movement in deferred tax liabilities during the year ended March 31, 2022

| Particulars | April 1, 2021 | Recognised in statement of profit and loss | Recognised in other comprehensive income | March 31, 2022 |
|---|-----------------|--|--|-----------------|
| Assets | | | | |
| Investment property | 1,893.89 | (93.93) | - | 1,799.95 |
| Unbilled receivables | 139.69 | (73.40) | - | 66.29 |
| Investments | 186.01 | - | 193.83 | 379.84 |
| Liabilities | | | | |
| Financial liabilities measured at amortised cost | 0.59 | 3.66 | - | 4.26 |
| Expenses to be allowed in subsequent years on payment basis | - | (28.89) | - | (28.89) |
| Total | 2,220.18 | (192.56) | 193.83 | 2,221.45 |

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DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|---|----------------|----------------|
| 16 Other non-current liabilities | | |
| Deferred income | 53.89 | 101.33 |
| | 53.89 | 101.33 |

| | March 31, 2023 | March 31, 2022 |
|--------------------------------------|------------------|------------------|
| 17 Short-term borrowings | | |
| Loan from related party (unsecured)* | 20,860.00 | 29,060.00 |
| | 20,860.00 | 29,060.00 |

* Loan from related party carry interest rate of 8.50% p.a. as at March 31, 2023 (March 31, 2022: 8.00% p.a.) (refer note 39)

| | Current | |
|--|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| 18 Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note 33) | 9.25 | 30.26 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 41.77 | 508.31 |
| | 51.02 | 538.57 |

Ageing of trade payable as on March 31, 2023

| Particulars | Outstanding for following periods from invoice date | | | | | Total |
|---|---|------------------|-------------|-------------|-------------------|--------------|
| | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Micro enterprises and small enterprises | - | 9.25 | - | - | - | 9.25 |
| (ii) Others | 36.47 | 5.30 | - | - | - | 41.77 |
| (iii) Disputed dues - Micro enterprises and small | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 36.47 | 14.55 | - | - | - | 51.02 |

Ageing of trade payable as on March 31, 2022

| Particulars | Outstanding for following periods from invoice date | | | | | Total |
|---|---|------------------|-------------|-------------|-------------------|---------------|
| | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Micro enterprises and small enterprises | 15.80 | 14.46 | - | - | - | 30.26 |
| (ii) Others | 101.37 | 405.31 | 1.63 | - | - | 508.31 |
| (iii) Disputed dues - Micro enterprises and small | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 117.17 | 419.77 | 1.63 | - | - | 538.57 |

| | Current | |
|--|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| 19 Other financial liabilities | | |
| Interest accrued on borrowings (refer note 14) | 1,586.69 | 1,928.12 |
| Security deposits received from tenants | 5,908.61 | 6,029.51 |
| Capital creditors | 21.02 | 36.34 |
| Other payables | 11.71 | 32.14 |
| | 7,528.03 | 8,026.11 |

| | March 31, 2023 | March 31, 2022 |
|---------------------------------------|-----------------|----------------|
| 20 Other current liabilities | | |
| Deferred income | 88.86 | 70.09 |
| Advance from customers | 38.07 | 68.68 |
| Statutory dues payable | 273.12 | 251.44 |
| Other payables (refer note 35 and 38) | 630.10 | 191.66 |
| | 1,030.15 | 581.87 |

| | March 31, 2023 | March 31, 2022 |
|---|----------------|----------------|
| 21 Current tax liabilities (net) | | |
| Provision for tax (net) | - | 127.78 |
| | - | 127.78 |



DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|--|------------------|------------------|
| 22 Revenue from operations | | |
| Operating revenue | | |
| Rental income* | 14,344.81 | 10,451.88 |
| Revenue from contract with customers | | |
| Disaggregated revenue information | | |
| Service income | 2,774.82 | 2,125.28 |
| Other operating revenue | | |
| Other operating income | 640.34 | 217.00 |
| Total revenue from contracts with customers | 3,415.16 | 2,342.28 |
| | 17,759.97 | 12,794.16 |

* It includes ₹143.27 lacs (March 31, 2022: ₹ 258.19 lacs) on account of financial liability measured at amortised cost and ₹(187.74) lacs (March 31, 2022: ₹(360.07) lacs) on account of rent straight lining

During the current year, rental income of ₹ Nil (March 31, 2022: ₹ 200.00 lacs) has not been recognised on account of lack of certainty of collection of lease payments from the lessees.

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

| | March 31, 2023 | March 31, 2022 |
|--|-----------------|-----------------|
| a. Timing of revenue recognition | | |
| Revenue recognised over period of time | 3,388.92 | 2,342.27 |
| Revenue recognised at a point of time | 26.24 | - |
| | 3,415.16 | 2,342.27 |
| b. Contract balances | | |
| Trade receivable from contracts with customers | 232.39 | 260.41 |
| Contract assets | 10.36 | - |
| Contract liabilities | - | 22.22 |

Trade receivables are generally on terms of 7 to 30 days. Interest on delay in payments from customers (if any) is recognised as per the terms of contract. Contract assets are initially recognised for revenue earned from maintenance services and other operating income as receipt of consideration is conditional on successful provision of services. Upon completion of services, the amounts recognised as contract assets are reclassified to trade receivables.

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

| | March 31, 2023 | March 31, 2022 |
|--|-----------------|-----------------|
| c. Significant changes in contract assets and contract liabilities during the year | | |
| i) Movement of contract liabilities | | |
| Amounts included in contract liabilities at the beginning of the year | 22.22 | 2.39 |
| Amount received / adjusted against contract liabilities during the year | (22.22) | 19.83 |
| Revenue recognised from performance obligations satisfied in previous years | - | - |
| Amounts included in contract liabilities at the end of the year | - | 22.22 |
| ii) Movement of contract assets | | |
| Amounts included in contract assets at the beginning of the year | - | 34.13 |
| Amount received / adjusted during the year | 10.36 | (34.13) |
| Amounts included in contract assets at the end of the year | 10.36 | - |
| d. Set out below is the amount of revenue recognised from: | | |
| Amounts included in contract liabilities at the beginning of the year | - | - |
| Performance obligations satisfied in previous years | - | - |
| e. Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price | | |
| Revenue as per contract price | 3,415.16 | 2,342.27 |
| Adjustment (if any) | - | - |
| | 3,415.16 | 2,342.27 |
| f. Performance obligation | | |

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

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



DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|---|-----------------|-----------------|
| 23 Other income | | |
| Interest income on | | |
| Bank deposits | 55.28 | 257.89 |
| Income tax refund | 282.85 | - |
| Others | 11.78 | 27.26 |
| Dividend income (refer note 39) | 0.67 | 0.67 |
| Unclaimed balances and excess provisions written back | 323.22 | 3.25 |
| Miscellaneous income | 1.52 | 27.87 |
| | 675.32 | 316.94 |
| 24 Cost of power, fuel and facility maintenance expenses | | |
| Cost of electricity, heating, ventilation and air conditioning expenses | 1,456.06 | 1,010.25 |
| Facility maintenance expenses | 1,575.13 | 1,434.28 |
| | 3,031.19 | 2,444.53 |
| 25 Finance costs | | |
| Interest expense on : | | |
| Loan from banks | - | 1,360.16 |
| Loans from related parties (refer note 39) | 2,148.81 | 1,133.48 |
| Others (refer note 37) | 2.46 | 0.35 |
| Financial liability measured at amortised cost | 154.68 | 240.25 |
| Guarantee and bank charges | 0.24 | 2.63 |
| | 2,306.19 | 2,736.87 |
| 26 Depreciation expense | | |
| Depreciation on property, plant and equipment | 2.37 | 1.50 |
| Depreciation on investment property | 843.74 | 850.68 |
| | 846.11 | 852.18 |
| 27 Other expenses | | |
| Rates and taxes | 68.94 | 90.30 |
| Advertisement and publicity | 484.42 | 230.25 |
| Repair and maintenance - building | 25.09 | 4.96 |
| Bad debts written off | - | 5.68 |
| Insurance | 63.39 | 52.00 |
| Payment to auditors (refer note 27.1) | 30.68 | 24.87 |
| Legal and professional fees | 16.15 | 119.91 |
| Corporate social responsibility expense (refer note 38) | 150.34 | 198.45 |
| Business support service charges | 72.12 | 78.01 |
| Provision for doubtful debts | 7.41 | 186.53 |
| Provision for impairment of financial asset | 112.41 | - |
| Miscellaneous expenses | - | 0.22 |
| | 1,030.95 | 991.18 |
| 27.1 Auditor's remuneration* | | |
| Audit fees (including limited reviews) | 20.03 | 20.02 |
| Tax audit fees | 3.68 | 3.68 |
| Other services | 6.00 | 1.00 |
| Reimbursement of expenses | 0.97 | 0.17 |
| | 30.68 | 24.87 |

* exclusive of applicable taxes



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

| | March 31, 2023 | March 31, 2022 |
|----------------------------|-----------------|-----------------|
| 28 Tax expense | | |
| Current tax | 2,528.54 | 1,696.86 |
| Deferred tax credit/charge | (127.52) | (192.56) |
| | 2,401.01 | 1,504.30 |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 29.12% (March 31, 2022: 29.12%) and the reported tax expense in profit or loss are as follows:

| Particulars | March 31, 2023 | March 31, 2022 |
|---|------------------|-----------------|
| Accounting profit before income tax | 11,220.85 | 6,086.34 |
| At country's statutory income tax rate of 29.12% (March 31, 2022: 29.12%)(A) | 3,267.51 | 1,772.34 |
| Adjustments | | |
| Non deductible expense for tax purposes: | | |
| Expenses relating to income chargeable under "Income from House Property" and "Profit and Gains from Business and Profession" | 561.49 | 463.59 |
| Expenses allowable for tax purposes: | | |
| Standard deduction under Section 24(a) of the Income-tax Act, 1961 | (1,230.50) | (993.06) |
| Rental income not recognised on account of lack of certainty of collection from lessees | - | 261.43 |
| Deduction claimed during the year in respect of rental income not recognised in the previous year | (77.19) | - |
| Others | | |
| Tax related to earlier years | (120.30) | - |
| Total adjustment (B) | (866.50) | (268.04) |
| Income tax expenses recognised in the books (A+B) | 2,401.01 | 1,504.30 |

| | March 31, 2023 | March 31, 2022 |
|---|-----------------|-----------------|
| 29 Earnings per equity share | | |
| A Earnings attributable to equity shareholders | 8,819.83 | 4,582.04 |
| Weighted average number of equity shares outstanding (in numbers) | 4,645,367 | 4,952,986 |
| Nominal value of equity share (₹) | 10.00 | 10.00 |
| Earnings per equity share (₹) | | |
| - Basic and Diluted | 189.86 | 92.51 |



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

29 B Ratio analysis and its elements (based on requirements of schedule III)

| Ratio | Numerator | Denominator | March 31, 2023* | March 31, 2022* | % change | Reason for change by more than 25% |
|--------------------------------------|---|---|-----------------|-----------------|----------------|---|
| (a) Current ratio | Current Assets | Current Liabilities | 0.09 | 0.05 | 84.21% | Increase is mainly on account of repayment of loan during the year ended March, 31, 2023 |
| (b) Debt-equity ratio | Borrowings (including interest accrued) | Total equity | 0.25 | 0.43 | (42.05)% | Decrease is mainly on account of repayment of loan during the year ended March, 31, 2023 |
| (c) Debt service coverage ratio | Profit after tax + depreciation + finance costs + loss on sale of investment property | Finance costs + Principal repayments (excluding prepayments) | 1.14 | 2.25 | (49.37)% | Decrease is mainly on account of higher repayment of borrowings |
| (d) Return on equity ratio | Profit after tax | Average of total equity | 0.11 | 0.06 | 71.10% | Increase is mainly on account of increase in profit during the year ended March 31, 2023 |
| (e) Trade receivables turnover ratio | Revenue from operations | Average trade receivables | 30.21 | 19.20 | 57.37% | Increase is mainly on account of increase in trade receivable balances as at March 31, 2023 |
| (f) Net capital turnover ratio | Revenue from operations | Working capital (Current assets-current liabilities) | (0.66) | (0.35) | 88.64% | Increase is mainly on account of increase in rental income |
| (g) Net profit ratio | Profit after tax | Revenue from operations | 0.50 | 0.36 | 38.67% | Increase is mainly on account of increase in profit after tax during the year ended March 31, 2023 in lieu of increase in rental income and reduction in finance cost |
| (h) Return on capital employed | Profit before tax + finance cost | Capital employed (Total equity + borrowings + net deferred tax liabilities) | 0.12 | 0.08 | 37.45% | Increase is mainly on account of increase in profit after tax during the year ended March 31, 2023 in lieu of increase in rental income and reduction in finance cost |
| (i) Inventory turnover ratio | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | |
| (j) Trade payables turnover ratio | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | |
| (k) Return on investment | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | |

* Ratios are upto 2 decimal places



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 maximise the use of observable market data rely as little as possible on entity specific estimates

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

(ii) Valuation technique used to determine fair value

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

(iii) Investment in equity instruments

| Particulars | Amount |
|--|-----------|
| As at April 1, 2021 | 74,796.58 |
| Gain/(loss) recognised in other comprehensive income | 832.05 |
| As at March 31, 2022 | 75,628.63 |
| Purchase of investments | - |
| Gain recognised in other comprehensive income | 12,008.46 |
| As at March 31, 2023 | 87,637.09 |

(iv) Financial instruments by category

| Particulars | March 31, 2023 | | | March 31, 2022 | | |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Level | Carrying value | Amortised cost | Level | Carrying value | Amortised cost |
| Financial assets | | | | | | |
| Other financial assets | Level 3 | 170.44 | 170.44 | Level 3 | 165.60 | 165.60 |
| Total financial assets | | 170.44 | 170.44 | | 165.60 | 165.60 |
| Financial liabilities | | | | | | |
| Security deposits | Level 3 | 1,503.63 | 1,503.63 | Level 3 | 1,175.13 | 1,175.13 |
| Total financial liabilities | | 1,503.63 | 1,503.63 | | 1,175.13 | 1,175.13 |

The above disclosure is presented for non-current financial assets and non-current financial liabilities.

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.

31 Financial risk management**i) Financial instruments by category**

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

| Particulars | March 31, 2023 | March 31, 2022 |
|---------------------------------------|------------------|------------------|
| | Amortised cost | Amortised cost |
| Financial assets | | |
| Trade receivables | 683.59 | 492.25 |
| Cash and cash equivalents | 8.73 | 8.30 |
| Other bank balances | 1,617.79 | 920.80 |
| Other financial assets | 174.22 | 169.38 |
| Total | 2,484.33 | 1,590.73 |
| Financial liabilities | | |
| Borrowings including interest accrued | 22,446.69 | 30,988.12 |
| Trade payables | 51.02 | 538.57 |
| Security deposits | 7,412.24 | 7,204.64 |
| Other financial liabilities | 32.73 | 68.48 |
| Total | 29,942.68 | 38,799.81 |

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.

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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 amortized cost includes 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*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

A. Low credit risk on financial reporting date

B. Moderate credit risk

C. High credit risk

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

| Asset group | Basis of categorisation | Provision for expenses credit loss |
|----------------------|---|--|
| Low credit risk | Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets | 12 month expected credit loss/life time expected credit loss |
| Moderate credit risk | Other financial assets | 12 month expected credit loss/life time expected credit loss |
| High credit risk | Trade 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, 2023 | March 31, 2022 |
|-------------------------|---|----------------|----------------|
| A: Low credit risk | Cash and cash equivalents, other bank balances, loans, trade receivables, other assets and other financial assets | 90,099.06 | 76,899.55 |
| B: Moderate credit risk | Other financial assets | - | - |
| C: High credit risk | Trade receivables | 22.36 | 319.81 |

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, 2023

| Particulars | Gross carrying amount | Expected credit losses | Carrying amount net of provision |
|---------------------------|-----------------------|------------------------|----------------------------------|
| Investments | 87,637.09 | - | 87,637.09 |
| Trade receivables | 705.95 | 22.36 | 683.59 |
| Cash and cash equivalents | 8.73 | - | 8.73 |
| Other bank balance | 1,617.79 | - | 1,617.79 |
| Other financial assets | 174.22 | - | 174.22 |

March 31, 2022

| Particulars | Gross carrying amount | Expected credit losses | Carrying amount net of provision |
|---------------------------|-----------------------|------------------------|----------------------------------|
| Investments | 75,628.63 | - | 75,628.63 |
| Trade receivables | 812.06 | 319.81 | 492.25 |
| Cash and cash equivalents | 8.30 | - | 8.30 |
| Other bank balance | 920.80 | - | 920.80 |
| Other financial assets | 169.38 | - | 169.38 |

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 based on their contractual maturities for all non-derivative financial. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| March 31, 2023 | Less than 1 year | 1-5 year | More than 5 years | Total |
|-------------------------------|------------------|-----------------|-------------------|------------------|
| Non-derivatives | | | | |
| Borrowings including interest | 22,446.69 | - | - | 22,446.69 |
| Trade payables | 51.02 | - | - | 51.02 |
| Security deposits | 5,929.68 | 1,634.83 | - | 7,564.51 |
| Other financial liabilities | 32.74 | - | - | 32.74 |
| Total | 28,460.13 | 1,634.83 | - | 30,094.96 |

| March 31, 2022 | Less than 1 year | 1-5 year | More than 5 years | Total |
|-------------------------------|------------------|-----------------|-------------------|------------------|
| Non-derivatives | | | | |
| Borrowings including interest | 30,988.12 | - | - | 30,988.12 |
| Trade payables | 564.30 | - | - | 564.30 |
| Security deposits | 6,059.10 | 1,229.17 | 108.71 | 7,396.98 |
| Other financial liabilities | 42.75 | - | - | 42.75 |
| Total | 37,654.27 | 1,229.17 | 108.71 | 38,992.15 |

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

Interest rate risk exposure

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 | March 31, 2023 | March 31, 2022 |
|---|----------------|----------------|
| Price sensitivity | | |
| Price - increase by 500 basis points (5%) | 4,381.85 | 3,781.43 |
| Price - decrease by 500 basis points (5%) | (4,381.85) | (3,781.43) |

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, the Company considers the robustness of future cash flows, potential funding requirements for growth opportunities and acquisitions, the cost of capital and ease of access to funding sources.

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

| Particulars | March 31, 2023 | March 31, 2022 |
|---------------------------------|------------------|------------------|
| Total borrowings * | 22,446.69 | 30,988.12 |
| Less : Cash and cash equivalent | (8.73) | (8.30) |
| Net debt | 22,437.96 | 30,979.82 |
| Total equity ** | 90,160.93 | 72,130.13 |
| Net debt to equity ratio | 0.25 | 0.43 |

* Total borrowings = long term borrowings + short term borrowings + current maturities of loan term borrowings + interest accrued

** Total equity = equity share capital + other equity



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

| Particulars | March 31, 2023 | March 31, 2022 |
|---|----------------|----------------|
| i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 9.25 | 30.26 |
| 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

The Company is primarily engaged in the business of leasing of constructed properties (including provision of linked services like facility management services) which is considered to be the only reportable business segment. Further, the revenues of the Company are derived primarily from leasing of real estate and no customer represents sales of more than 10% of total sales. Also, 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. Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on "Operating Segment".

35 Contingent liabilities and commitments (to the extent not provided for)

A. Claim against the company not acknowledged as debts

| Particulars | March 31, 2023 | March 31, 2022 |
|---|-----------------|-----------------|
| Income tax (Assessment year 2009-10)* | 1,046.70 | 1,046.70 |
| Income tax (Assessment year 2018-19)** | 51.99 | 51.99 |
| Income tax (Assessment year 2020-21)*** | 7.72 | - |
| Service tax (for Financial Year 2007-08 to 2009-10) | - | 767.07 |
| Service tax (for Financial Year 2011-12) | - | 60.76 |
| Service tax (for Financial Year 2014-15 to 2017- | 277.92 | 277.92 |
| Goods & Service Tax (for Financial Year 2018-19 | 7.04 | 7.04 |
| Demand from South Delhi Municipal Corporation | 28.51 | 28.51 |
| Total | 1,419.88 | 2,239.99 |

(a) Income Tax

*Assessment Year 2009-10

The Assessing Officer ('AO') had made disallowance of interest under Section 24(b) of the Income-tax Act, 1961, tax impact of which was ₹ 1,046.70 lacs. The Company had preferred an appeal before Commissioner of Income Tax (Appeals) ('CIT(A)'), who further enhanced the disallowance. Against this, the Company filed an appeal before Income Tax Appellate Tribunal ('ITAT'), who restored the matter to file of Ld. CIT(A) for issuing a fresh notice and decide afresh in accordance with law, after verifying the facts. The matter is currently pending before CIT (A).

** Assessment Year 2018-19

The Company claimed deduction under Section 80G of the Act being 50% of Corporate Social Responsibility payment made to registered trust which was disallowed by the Assessing Officer ('AO'), tax impact of which was ₹ 51.99 lacs. The Company has filed appeal before the CIT(A) under National Faceless Appeal Centre (NFAC) which is pending for disposal.

*** Assessment Year 2020-21

The Assessing Officer has made disallowance of deduction u/s 80G of the Act and adopted income as per intimation u/s 143(1) of the Act instead of merged computation filed by the Company pursuant to merger of Richmond with the Company, tax impact of which was ₹ 7.72 lacs. The Company has filed appeal before the CIT(A) under National Faceless Appeal Centre (NFAC) which is pending for disposal.

Further, the Company has received an erroneous refund of ₹ 482.79 lacs determined by the Assessing Officer in the computation sheet annexed to the assessment order passed under Section 143(3) read with Section 260 of the Income-tax Act, 1961. Consequently, the Company has filed an application with the Assistant Commissioner of Income tax, New Delhi ("ACIT") requesting ACIT to intimate the Company on the mode of remitting back such refund. Pending response on mode of refund, the Company has disclosed the same as other payables under the head "Other current Liabilities" (refer note 20).



(This space has been intentionally left blank)



(b) Service Tax/ GST

During the earlier years, the Company received an order passed by Commissioner of Service tax demanding service tax liability amounting to ₹ 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, on denial / recovery of input credit availed (being the credit of service tax paid on construction services) & utilized against output service i.e. rental income for financial Year 2007-08 to 2009-10 and financial year 2011-12). The Company had filed an appeal along with stay application with respect to the aforesaid Commissioner of Service tax's order before Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

During the previous year, CESTAT had allowed appeal & passed the order in favour of the Company, against which the department has not filed any further appeal as on now. Since the time limit of filing further appeal has lapsed, contingent liability in respect of the above case has not been considered.

During the previous year, the Company had received demand-cum-show cause notice issued by Commissioner, Central Tax, Audit - II, Delhi, who has demanded service tax on electricity charges billed for internal lighting to tenants amounting to ₹ 277.92 lacs pertaining to financial year 2014-15 to 2017-18 (till June 2017). The matter is under adjudication.

During the previous year, the Company received Show Cause Notice issued by Assistant Commissioner, GST, Delhi, who demanded ₹ 7.04 lacs (GST along with Penalty & Interest, as quantified) on the grounds of short payment of tax in comparison of GSTR 1 & GSTR 3B filed. The matter is under adjudication.

Based on the advice from independent tax experts, the Company is confident that the additional tax so demanded will not be sustained on the completion of appellate proceedings and accordingly, no provision has been made in these financial statements.

(c) Demand from South Delhi Municipal Corporation ("SDMC")

During the previous year, the Company received demand notice under section 154 of Delhi Municipal Corporation Act, 1957 amounting to ₹ 41.54 lacs from SDMC on account of electricity tax on open access units consumed by the Company till June-21. Basis the opinion obtained from legal expert, the Company has paid undisputed amount of ₹ 13.03 lacs to SDMC and requested department to reassess the electricity tax dues and drop the demand notices. No further response has been received from department as yet.

(d) Others

(i) During the earlier years, the Company had received several notices from South Delhi Municipal Corporation ("SDMC") directing the Company to remove displays, LEDs and advertisements in its mall on account of them being in violation of Delhi Municipal Corporation Act, 1957, Advertisement Bye-laws, Delhi Prevention of Defacement of Property Act, 2007 and the Advertisement Policy, 2017. The Company had filed a writ petition before High Court of Delhi whereby the matter was taken up for hearing for deciding the interim reliefs whereby the Company was required to file an application before SDMC for seeking permission to display advertisements and furnish fixed deposit with lien created in favour of Commissioner, SDMC for the amount indicated by Corporation in terms of order. Further, SDMC was also restrained from taking any coercive measures under Delhi Prevention of Defacement of Property Act, 2007 during the pendency of the writ petition.

During the previous year, the Company has filed an application to SDMC seeking permission to display advertisements along with creation of fixed deposit of ₹ 110.29 lacs (March 31, 2022: ₹ 105.45 lacs) with lien marked in favour of Commissioner SDMC which has been disclosed as "Other Financial Assets" in the financial statements. The matter is currently pending disposal.

(ii) During the earlier years, South Delhi Municipal Corporation ("SDMC") issued a public notice prohibiting all the hospitals and malls falling within its jurisdiction from charging fee for the facility of parking within its premises. Consequent to this, Vasant Kunj Commercial Complex Association (of which the Company is a member) ("Association") filed a writ Petition before Hon'ble Delhi High Court which disposed of the same with a direction to charge parking fee @ ₹ 20 per hour, while directing SDMC to decide the matter by passing a speaking order. SDMC vide order dated August 10, 2017 upheld its public notice prohibiting the charging of parking fees in the mall. Against the said order dated August 10, 2017, an instant Writ Petition was again filed before Hon'ble Delhi High Court by the Association. The Hon'ble Court has passed an absolute stay order in this case till the pendency of Writ Petition and has allowed the petitioner to charge parking fee at ₹ 20 per hour within the jurisdiction of SDMC. Accordingly, the matter stands adjourned for final arguments. The management believes that the revenue recognition from parking income is appropriate and no adverse impact is likely to arise in the financial statements in this regard.

Based on the advice from independent tax experts/ legal expert and development on the appeals/proceedings, the Company is confident that the additional tax/demand will not be sustained on the completion of appellate proceedings/ proceedings and accordingly, no provision has been made in these financial statements.

Further, as per the terms of the Share Purchase and Shareholders' Agreement ("SPSHA"), apart from other indemnities, DLF Limited has undertaken to indemnify, defend and hold harmless the Company against all losses incurred or suffered by the Company arising out of direct/ indirect tax demands upto or prior to December 26, 2017 (i.e. closing date). Accordingly, out of total contingent liabilities of ₹ 1,419.88 lacs as at March 31, 2023 (March 31, 2022: ₹ 2,239.99 lacs), ₹ 1,324.62 lacs (March 31, 2022: ₹ 2,152.45 lacs) being contingent liability pertaining to period up to the Closing date has been undertaken to be

B. Guarantees

| Particulars | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| Corporate guarantee issued by the Company on behalf of DLF Cyber City Developers Limited | 38,303.26 | 42,771.15 |

C. Capital commitments

Estimated amount of commitments on capital account as on March 31, 2023 is ₹ 158.47 lacs (March 31, 2022: ₹ 22.48 lacs)

- 36 A** In the opinion of the board of directors, current assets and other financial assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provisions of all known liabilities have also been made.
- 36 B** All loans, guarantees and securities as disclosed in respective schedules/ notes are given for business purposes.
- 37** The Company and its group companies have given corporate guarantees to banks for availing of loans and believes that there is no service rendered and thus there is no GST obligations. During the year, audit have been conducted and observed that there could be GST obligation on the said guarantees. Based on advice of tax experts, the management obtained an arm's length assessment report from an external expert only for the sole purpose of discharging payment of GST, if any and accordingly, has deposited GST on the said CGs given w.e.f. July 01, 2017, along with interest of ₹ 2.07 lacs during the year on voluntary basis to avoid any litigation and accordingly the payment of interest shall not be construed as an irregularity in the deposit of GST on the part of the Company.



DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

- 38 In accordance with the provisions of Section 135 of the Companies Act, 2013 ('the Act'), the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, required details of CSR amount is as follows.

| Particulars | March 31, 2023 | March 31, 2022 |
|--|---|---|
| (a) Amount required to be spent by the Company | 150.34 | 198.45 |
| (b) Amount paid by the Company on: | | |
| i) Construction/acquisition of any asset | - | - |
| ii) For purposes other than (i) above (refer (f) below) | | |
| - pertaining to current year | 3.04 | 6.79 |
| - pertaining to previous years' shortfall | 191.66 | - |
| (c) Shortfall (unspent) for the year at the year-end* | 147.30 | 191.66 |
| (d) Total of previous years shortfall (unspent) | - | - |
| (e) Reason for shortfall | Pertains to ongoing projects | Pertains to ongoing projects |
| (f) Nature of CSR activities | Donation made for environment sustainability project and animal welfare | Donation made for environment sustainability project and animal welfare |
| (g) Detail of related party transactions in relation to CSR expenditure as per relevant accounting standards | | |
| Contribution to: | | |
| DLF Foundation | 194.70 | 6.79 |

*Subsequent to year ended March 31, 2023, the Company has transferred the shortfall (unspent) amount pertaining to the respective year to the unspent CSR account(s) in accordance with the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

39 Related party disclosures

Information required to be disclosed under Ind AS 24 "Related party disclosures"

i) Related parties where control exists

- a) **Ultimate holding company**
DLF Cyber City Developers Limited (till March 23, 2022)
- b) **Holding Company**
Richmond Park Property Management Services Limited (the immediate holding company)(till March 23, 2022)
DLF Cyber City Developers Limited (w.e.f. March 24, 2022)
- c) **Entity having joint control over the ultimate holding company/ holding company**
DLF Limited
Reco Diamond Private Limited
- d) **Additional related party as per the Companies Act, 2013**
Holding company of the entity having joint control over the Company's ultimate holding company/ holding company
Rajdhani Investments & Agencies Private Limited

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

- a) **Ultimate holding company**
DLF Cyber City Developers Limited
- b) **Entity having joint control over the ultimate holding company**
DLF Limited
- c) **Fellow subsidiary company**
DLF Power & Services Limited
DLF Assets Limited
Paliwal Real Estate Limited
DLF Promenade Limited
- d) **Subsidiary of entity having joint control over the ultimate holding company/ holding company**
Lodhi Property Company Limited
DLF Property Developers Limited (formerly DLF Emporio Restaurants Limited)
Riveria Commercial Developers Limited
- e) **Enterprises under the control of Key Managerial Personnel (KMP) of entities having joint control over the holding company or their relatives at any time during the year**
Rod Retail Private Limited (till May 24, 2022)
DLF Foundation



DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

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

| Description | Ultimate Holding Company | | Holding Company | | Entity having joint control over the holding company | | Fellow subsidiary companies | | Subsidiary of entity having joint control over the holding/ultimate holding company | | Key managerial personnel (KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year | | Total | |
|--|--------------------------|---------------|-----------------|---------------|--|---------------|-----------------------------|---------------|---|---------------|---|---------------|---------------|---------------|
| | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) |
| Rental Income | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rod Retail Private Limited | - | - | - | - | - | - | - | - | 129.22 | 78.12 | - | - | 129.22 | 78.12 |
| Service income | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | - | - | - | 20.84 | 109.88 | 20.84 | 109.88 |
| DLF Property Developers Limited | - | - | - | - | - | - | 288.21 | 186.68 | - | - | - | - | 288.21 | 186.68 |
| Rod Retail Private Limited | - | - | - | - | - | - | - | - | 63.50 | 56.66 | - | - | 63.50 | 56.66 |
| Other operating income | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | - | - | - | 19.17 | - | 19.17 |
| DLF Promenade Limited | - | - | - | - | - | - | - | - | 2.24 | 2.22 | - | - | 2.24 | 2.22 |
| Dividend Income | | | | | | | | | | | | | | |
| DLF Assets Limited | - | - | - | - | - | - | - | 0.54 | - | - | - | - | - | 0.54 |
| Business promotion charges | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | 0.67 | 0.67 | - | - | - | 0.67 | 0.67 |
| Lodha Property Company Limited | - | - | - | - | - | - | - | - | - | 52.51 | 19.66 | - | 52.51 | 19.66 |
| Riviera Commercial Developers Limited | - | - | - | - | - | - | - | - | - | 1.16 | - | - | 1.16 | - |
| Property tax recovered | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | - | 0.51 | - | - | 0.51 | - |
| Rod Retail Private Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Finance costs on financial liability measured at | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | - | - | - | 1.26 | - | 1.26 |
| Rod Retail Private Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest expense | | | | | | | | | | | | | | |
| DLF Assets Limited | - | - | - | - | - | - | - | - | - | - | - | 3.79 | - | 3.79 |
| DLF Cyber City Developers Limited | 430.36 | 1,111.45 | - | - | - | - | 1,718.45 | 22.02 | - | - | - | - | 1,718.45 | 22.02 |
| Cost of electricity, heating, ventilation and air conditioning expenses | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bank guarantee Charges | | | | | | | | | | | | | | |
| DLF Limited | - | - | - | - | - | - | - | 628.67 | 491.91 | - | - | - | 628.67 | 491.91 |
| Bank guarantee released | | | | | | | | | | | | | | |
| DLF Limited | - | - | - | - | - | - | - | 0.85 | - | - | - | - | 0.85 | - |
| Corporate guarantee given /released (net) | | | | | | | | | | | | | | |
| DLF Cyber City Developers Limited | 4,467.89 | 42,771.15 | - | - | - | - | - | - | - | - | - | - | - | 91.02 |
| Facility maintenance expenses | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Advertisement and publicity | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | - | 1,565.40 | 1,345.47 | - | - | 1,565.40 | 1,345.47 |
| Business support service charges | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | - | 0.76 | - | - | - | 0.76 | - |
| CSR expense | | | | | | | | | | | | | | |
| DLF Foundation | - | - | - | - | - | - | - | - | 81.31 | 91.81 | - | - | 81.31 | 91.81 |
| Fair valuation gain on investments | | | | | | | | | | | | | | |
| DLF Assets Limited | - | - | - | - | - | - | - | - | - | - | 194.69 | 6.79 | 194.69 | 6.79 |
| Fairval Real Estate Limited | - | - | - | - | - | - | - | - | 828.46 | 572.05 | - | - | 828.46 | 572.05 |
| Loan taken during the year | | | | | | | | | | | | | | |
| DLF Cyber City Developers Limited | - | 26,000.00 | - | - | - | - | - | - | - | - | - | - | - | 26,000.00 |
| DLF Assets Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | 15,500.00 |
| Loan repaid during the year | | | | | | | | | | | | | | |
| DLF Cyber City Developers Limited | 16,500.00 | 9,500.00 | - | - | - | - | - | - | - | - | - | - | - | - |
| DLF Assets Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | 7,300.00 |
| Cancellation of equity shares (refer note 41) | | | | | | | | | | | | | | |
| Richmond Park Property Management Services Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | 272.58 |
| Issue of equity shares (refer note 41) | | | | | | | | | | | | | | |
| DLF Cyber City Developers Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | 241.21 |

Note: The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions



DLF Emporio Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts in ₹ lacs, unless otherwise stated)

(iv) Balance at year end

| Description | Ultimate Holding Company | | Holding Company | | Entity having joint control over the holding company | | Fellow subsidiary companies | | Subsidiary of entity having joint control over the holding/ultimate holding company | | Key managerial personnel (KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year | | Total | |
|-----------------------------------|--------------------------|---------------|-----------------|---------------|--|---------------|-----------------------------|---------------|---|---------------|---|---------------|---------------|---------------|
| | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) | Mar-23 (₹) | Mar-22 (₹) |
| Security deposits accepted | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | 107.09 | 383.32 | - | - | 107.09 | 383.32 |
| Road Retail Private Limited | - | - | - | - | - | - | - | - | - | - | - | 47.61 | - | 47.61 |
| Deferred Income | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | 2.07 | 8.40 | - | - | 2.07 | 8.40 |
| Road Retail Private Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Trade receivables | | | | | | | | | | | | | | |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | 16.42 | 14.37 | - | - | 16.42 | 14.37 |
| Road Retail Private Limited | - | - | - | - | - | - | - | - | - | - | - | 17.36 | - | 17.36 |
| DLF Power & Services Limited | - | - | - | - | - | - | - | 16.67 | - | - | - | - | - | 16.67 |
| DLF Promenade Limited | - | - | - | - | - | - | - | 30.91 | - | - | - | - | - | 30.91 |
| DLF Cyber City Developers Limited | 8.10 | - | - | - | - | - | - | - | - | - | - | - | - | 8.10 |
| Advance from Customers | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | 9.12 | - | - | - | - | - | 9.12 |
| Trade payable | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | - | 369.51 | - | - | - | - | 369.51 |
| DLF Property Developers Limited | - | - | - | - | - | - | - | - | - | - | 16.70 | - | - | 16.70 |
| Advance to suppliers | | | | | | | | | | | | | | |
| DLF Power & Services Limited | - | - | - | - | - | - | - | 119.51 | - | - | - | - | - | 119.51 |
| Investments | | | | | | | | | | | | | | |
| DLF Assets Limited | - | - | - | - | - | - | - | 11,132.09 | 10,303.63 | - | - | - | - | 11,132.09 |
| Pallwal Real Estate Limited | - | - | - | - | - | - | - | 76,505.00 | 65,325.00 | - | - | - | - | 76,505.00 |
| Loan | | | | | | | | | | | | | | |
| DLF Assets Limited | - | - | - | - | - | - | - | 20860.00 | 12,560.00 | - | - | - | - | 20,860.00 |
| DLF Cyber City Developers Limited | - | 16,500.00 | - | - | - | - | - | - | - | - | - | - | - | 16,500.00 |
| Interest accrued on loan | | | | | | | | | | | | | | |
| DLF Assets Limited | - | - | - | - | - | - | - | 1,586.69 | 927.81 | - | - | - | - | 1,586.69 |
| DLF Cyber City Developers Limited | - | 1,000.31 | - | - | - | - | - | - | - | - | - | - | - | 1,000.31 |
| Corporate guarantee given | | | | | | | | | | | | | | |
| DLF Cyber City Developers Limited | 38,303.26 | 42,771.15 | - | - | - | - | - | - | - | - | - | - | - | 38,303.26 |
| Share Capital | | | | | | | | | | | | | | |
| DLF Cyber City Developers Limited | 464.54 | 464.54 | - | - | - | - | - | - | - | - | - | - | - | 464.54 |

In respect of loan taken by DLF Cyber City Developers Limited from the bank outstanding balance of which is ₹ 38,303.26 lacs, the Company created an equitable mortgage on DLF Emporio mall owned by it along with charge on receivables of the said mall. Further the Company also provided corporate guarantee to the bank for the said loan.

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DLF Emporio Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts in ₹ lacs, unless otherwise stated)

- 40) During the current year, the Company has charged the Common Area Maintenance ("CAM") revenue (included under the head "Revenue from Operations") from tenants on provisional basis, based on management's estimate of cost incurred. However, post the year-end, the Company will obtain an independent party certificate of actual expenditure incurred towards maintenance charges for the year ended March 31, 2023. The management believes that no material adjustments will arise in CAM revenue which will affect the current year's financial statements.

- 41) Pursuant to resolution passed by Board of Directors of the Company in their meeting held on February 25, 2020, and in accordance with provisions of Sections 230 to 232 and other relevant applicable provisions of the Companies Act, 2013 and the rules made thereunder, Richmond Park Property Management Services Limited ("Richmond" or "transferor company") filed a Scheme of Amalgamation ("Scheme") with the Company before the Hon'ble National Company Law Tribunal, Chandigarh bench ("NCLT"). The appointed date as per the scheme of amalgamation is April 1, 2019.

During the previous year, Hon'ble NCLT vide order dated March 02, 2022 (certified copy received on March 24, 2022) had approved the above Scheme.

The above acquisition by the Company was assessed as "Asset Acquisition" in accordance with provisions of Ind AS 103, "Business Combinations" and accordingly, the cost of the group was allocated to the individual identifiable assets and liabilities of Richmond on the basis of their fair value on the date of acquisition, i.e., March 24, 2022 which was as follows:

| Particulars | Fair value recognized as on acquisition date |
|---|--|
| Investment in equity shares | 95,300.40 |
| Non-current tax assets (net) | 1.55 |
| Trade receivables | 30.32 |
| Cash and cash equivalents | 6.48 |
| Other current assets | 0.04 |
| Total Assets (A) | 95,338.79 |
| Current borrowings | 12,560.00 |
| Trade payables | 0.04 |
| Other financial liabilities | 907.99 |
| Liabilities for current tax | 3.02 |
| Other current liabilities | 10.70 |
| Retained earnings | (10,722.12) |
| Total Liabilities and reserves (B) | 2,759.63 |
| Net assets/ (liabilities and reserves) assumed (C=A-B) | 92,579.16 |
| Cancellation of investments by Richmond in the Company with share capital (Equity share capital of ₹272.58 lacs and securities premium of ₹2450.25 lacs) issued by the Company (D) | 92,577.57 |
| Share capital issued to shareholder of Richmond (E)* | 241.21 |
| Capital reserve (F=C-D-E) | (239.62) |

*The Company had issued 24,12,117 equity shares to DLF Cyber City Developers Limited "DCCDL" in lieu of existing shares held by DCCDL in Richmond as per the fair exchange ratio computed by external valuer.

The above mentioned accounting treatment is in accordance with the Scheme and in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

42) Other statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

