



**18th**  
**ANNUAL REPORT**  
**2016-17**

**DLF EMPORIO LIMITED**

**CIN: U74920HR1999PLC034168**

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

**DLF EMPORIO LIMITED**  
**(CIN:U74920HR1999PLC034168)**



**Company Information**

**Board of Directors**

Mr. Anupam Sharma  
Non Executive Director & Manager  
(DIN – 05234238)

Mr. Manoj Kumar Dua  
Non Executive Director  
(DIN – 02794998)  
(w.e.f. 5<sup>th</sup> August, 2017)

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

Mr. Surinder Singh Chawla  
Independent Director  
(DIN – 00102064)  
(w.e.f. 30<sup>th</sup> January, 2017)

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

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

**Chief Financial Officer**

Mr. Hari Krishan Bansal  
(w.e.f. 4<sup>th</sup> March, 2017)

**Reference Information**

**Registered Office Address**

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

**Registrar & Share Transfer Agent**

For Debentures:

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

For Equity Shares:

Alankit Assignments Limited  
'Alankit House' 2E/21, Jhandewalan Extn.,  
New Delhi - 110055

**Debentures listed at**

Bombay Stock Exchange  
(ISIN: INE866N07016)

**Details of Debenture Trustee**

Axis Trustee Service Limited  
2<sup>nd</sup> Floor, E, Axis House,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg  
Worli, Mumbai – 400 025

**Statutory Auditors**

Walker Chandiook & Co LLP  
L-41, Connaught Circus,  
New Delhi – 110001

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(CIN - U74920HR1999PLC034168) Website: [www.dlfemporio.com](http://www.dlfemporio.com)  
Tel No: 0124-4778121, Fax No: 0124-4057414, E-mail: [dlfemporio@dlf.in](mailto:dlfemporio@dlf.in)

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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 18<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON THURSDAY, 28<sup>TH</sup> SEPTEMBER, 2017 AT 12:00 NOON AT REGISTERED OFFICE OF THE COMPANY AT SHOPPING MALL, PHASE – I, DLF CITY, GURUGRAM – 122 002 TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2017 together with the Reports of Board of Directors and Auditors thereon.
2. To confirm interim dividend on following:
  - i. 100, 12% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each (12% 'RPS'); and
  - ii. 4000, 9% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each (9% 'RPS').
3. To appoint a Director in place of Mr. Anupam Sharma (DIN- 05234238), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration and pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139,142 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force read with the Companies(Audit and Auditors) Rules, 2014, as amended ("the Act"), S. R. Batliboi & Co. LLP, Chartered Accountants (FRN. 301003E/E300005) be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Statutory Auditors Walker Chandiook & Co LLP, for a term of five consecutive years from the conclusion of the 18<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 23<sup>rd</sup> AGM, at such remuneration as may be fixed by the Board of Directors of the Company."

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## SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendment, modification or re-enactment thereof for the time being in force) ("the Act") Mr. Manoj Kumar Dua (**DIN-02794998**), who was appointed as an additional Director w.e.f. 5<sup>th</sup> August, 2017, 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 had received a notice in writing from a member under Section 160 of the Act signifying its intension to propose Mr. Manoj Kumar Dua as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 186 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendment, modification or re-enactment thereof for the time being in force and as may be enacted from time to time) ("the Act"), provisions of other applicable laws, if any, the consent of the members of the Company be and is hereby accorded to the Board of Directors, for granting of unsecured loan repayable on demand to DLF Home Developers Limited, a fellow subsidiary Company, for an amount up to ₹ 70/- Crore (Rupees Seventy Crore Only), in addition to the existing sanctioned limits, at a rate of interest of 11.50% p.a. or such other rate as may be mutually agreed (not less than the prevailing yield rate of Government Securities), for its business requirements, in one or more tranches and that the period of repayment, rate of interest and other terms may be varied / altered for such further period(s) on such other terms as may be mutually agreed from time to time.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) of the Company or any person(s) as may be authorized by the Board be and are hereby authorized to decide, finalize, execute, sign, alter, vary, revise, renew, modify and accept amendment(s)/ renewal/ extension of the loan, terms & conditions thereof, from time to time and execute such documents to give effect to the amendment / alteration / variation / modification / renewal and to take all steps, to do all such acts, deeds and

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things as may be considered necessary or expedient for giving effect to the above resolution."

By order of the Board of Directors  
For DLF Emporio Limited

Date : 05.08.2017  
Place : Gurugram

  
Anupam Sharma  
Director and Manager  
DIN - 05234238

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## **NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HERSELF/HIMSELF IN ACCORDANCE WITH THE COMPANIES ACT, 2013. 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 details of Director seeking re-appointment, in terms of the Companies Act, 2013 (including Secretarial Standard-2) are annexed hereto and forms part of this Notice.
3. Keeping in view the requirements set-out in the Companies Act, 2013 the Audit Committee and Board of Directors of the Company have recommended appointment of S.R. Batliboi & Co. LLP, Chartered Accountants (FRN 301003E/E300005) as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of 18<sup>th</sup> Annual General Meeting till the conclusion of the 23<sup>rd</sup> Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statements of the Company for the financial year ending 31<sup>st</sup> March, 2018. They have consented to and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), 141(2) and 141(3) of the Companies Act, 2013 and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set-out at Item No. 4 of the Notice for approval by the members.
4. The Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning the business under item no. 5 and 6 of the notice is annexed hereto and forms part of the notice.
5. Route map of the venue of the Meeting (including prominent land mark) is annexed.
6. Relevant documents referred to in the Notice and statutory registers are open for inspection at the Registered Office of the Company at Shopping Mall, Phase-I, DLF City, Gurugram, Haryana – 122 002 on all working days up to the date of the AGM and shall also be available for inspection at the AGM.

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7. Copy of the full Annual Report (2016-17) is being sent to all the persons who are entitled to receive the same. Hard copy of the Annual Report will be made available to debenture holders who request for the same.
  
8. The Annual Report is also available on the Company's website at the link <http://www.dlfemporio.com/investors/index.html>.

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## STATEMENT

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

### Item No. 5

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and the rules made thereunder ('the Act') read with Articles of Association Mr. Manoj Kumar Dua (**DIN-02794998**) was appointed as an additional director of the Company w.e.f. 5<sup>th</sup> August, 2017. Accordingly, Mr. Manoj Kumar Dua will hold office up to the date of ensuing Annual General Meeting.

The Company had received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 and the rules made thereunder ("the Act") along with required deposit proposing the candidature of Mr. Manoj Kumar Dua for the office of Director of the Company liable to retire by rotation.

Mr. Manoj Kumar Dua had given his consent to act as the Director of Company and a declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

### **Information about the appointee:**

<b>Age</b>	43 Years
<b>Qualifications</b>	Qualified Cost and Management Accountant, Company Secretary and Chartered Secretary (London, UK).
<b>Experience</b>	20 years in Corporate Financial Planning & Control, Accounts, Finance / fund management, Commercial Operations, Systems implementations, Strategic Planning, Auditing, Direct & Indirect Taxation, Costing, Legal, Secretarial and compliance functions in manufacturing as well as Service organization(s). Mr. Dua has been part of DLF Group for past 11 years and currently holds the position of Assistant Vice President (Finance and Accounts) Mall division.
<b>Terms and Conditions of Appointment along with details of remuneration sought to be paid:</b>	Appointment as Director of the Company liable to retire by rotation.  Remuneration- N.A.



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<b>Date of first appointment on the Board</b>	05.08.2017
<b>Shareholding in the Company:</b>	NIL
<b>Relationship with Other Directors and other KMP(S):</b>	NIL
<b>Number of Board Meetings attended during the year (2016-17):</b>	N/A
<b>Other Directorship(s):</b>	DLF Info City Developers (Chandigarh) Limited; Chandrajyoti Estate Developers Private Limited; DLF Info City Developers (Kolkata) Limited; DLF Emporio Restaurants Limited; DLF City Centre Limited; Riveria Commercial Developers Limited; and Aadarshini Real Estate Developers Private Limited.
<b>Committee Positions in other Public Companies</b>	<b>Audit Committee</b> DLF City Centre Limited, Member; and Riveria Commercial Developers Limited; Member.  <b>Nomination and Remuneration Committee</b> DLF City Centre Limited, Member; and Riveria Commercial Developers Limited, Member.

Keeping in view his vast experience, expertise and knowledge, it will be in the interest of the Company that Mr. Manoj Kumar Dua be appointed as Director liable to retire by rotation.

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

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except Mr. Manoj Kumar Dua is concerned or interested, financially or otherwise in the resolution set out at the item No. 5 of the notice.

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

## **ITEM No.6**

The Company has received request from DLF Home Developers Limited, a fellow subsidiary company, for granting of loan repayable on demand, for an amount up to ₹70 Crore (Rupees Seventy Crore Only), in addition to the existing sanctioned limits, at a rate of interest of 11.50% p.a. or such other rate as may be mutually agreed (not less than the prevailing yield rate of Government Securities), for its business requirements, in one or more tranches and that the period of repayment, rate of interest and other terms may be varied / altered for such further period(s) on such other terms as may be mutually agreed from time to time.

In terms of Section 186 of the Companies Act, 2013, approval of the Members by way of a Special Resolution is required if the aggregate of loans, investments and guarantees/securities exceeds the prescribed limits, i.e. 60% of the paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more. Upon granting of above loan the prescribed limits as mentioned above may exceeds, therefore, approval of the Members has been sought.

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

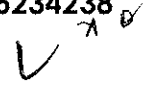

Neither, the Directors, Key Managerial Personnel (KMP) and/or their relatives holds 2% or more of the paid up share capital in any of the Companies nor any of them, in any way, concerned or interested either financially or otherwise in the above resolution.

Your Directors recommend the abovementioned resolution to be passed as **Special Resolution**.

By order of the Board of Directors  
For DLF Emporio Limited

Date : 05.08.2017  
Place : Gurugram

Anupam Sharma  
Director and Manager  
DIN - 05234238



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## PROXY FORM

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

CIN: U74920HR1999PLC034168

Name of the Company: DLF Emporio Limited

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

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:
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I/We, being the member(s) of ..... Shares of the above named Company, hereby appoint

1. Name:.....

Address :

E-mail Id:

Signature :..... , or failing him/her

2. Name:.....

Address:

E-mail Id:

Signature:..... , or failing him/her

3. Name:.....

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 18<sup>th</sup> Annual General Meeting of the Company, to be held on **Thursday, 28<sup>th</sup> September, 2017 at 12:00 Noon at registered office of the Company at Shopping Mall, Phase – I, DLF City, Gurugram, Haryana–122002** and at any adjournment thereof in respect of such resolutions as are indicated below:

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Resl No.	Resolution	For #	Against#	Abstained#
1.	Adoption of Audited Financial Statement as at 31 <sup>st</sup> March, 2017 together with reports of Board of Directors and Auditors thereon.			
2.	To confirm interim dividend on following:			
(i)	100, 12% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each (12% 'RPS').			
(ii)	4000, 9% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each (9% 'RPS').			
3.	Re-appointment of Mr. Anupam Sharma as Director, who retires by rotation.			
4.	Appointment of S.R. Batliboi & Co. LLP (FRN. 301003E/E300005) as Statutory Auditors and to fix their remuneration.			
5.	Appointment of Mr. Manoj Kumar Dua as the Director of Company liable to retire by rotation.			
6.	Granting of inter-corporate Loan to DLF Home Developers Limited, a fellow subsidiary Company.			

Signed this ..... day of..... 2017. .

Signature of Member

Signature of Proxy holder (s)

Affix  
Revenue  
Stamp of  
appropriate  
value

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## **Notes:**

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

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## ATTENDANCE SLIP

**18<sup>th</sup> Annual General Meeting – Thursday, 28<sup>th</sup> September, 2017**

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

I / We, Being the Registered Shareholder / Proxy for the Registered Shareholder\*\* of the Company, hereby record my / our presence at 18<sup>th</sup> Annual General Meeting of the Company held on **Thursday, 28<sup>th</sup> September, 2017 at 12:00 Noon at registered office of the Company at Shopping Mall, Phase – 1, DLF City, Gurugram – 122 002** and at any adjournment(s) thereof.

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Member's / Proxy's Signature

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

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

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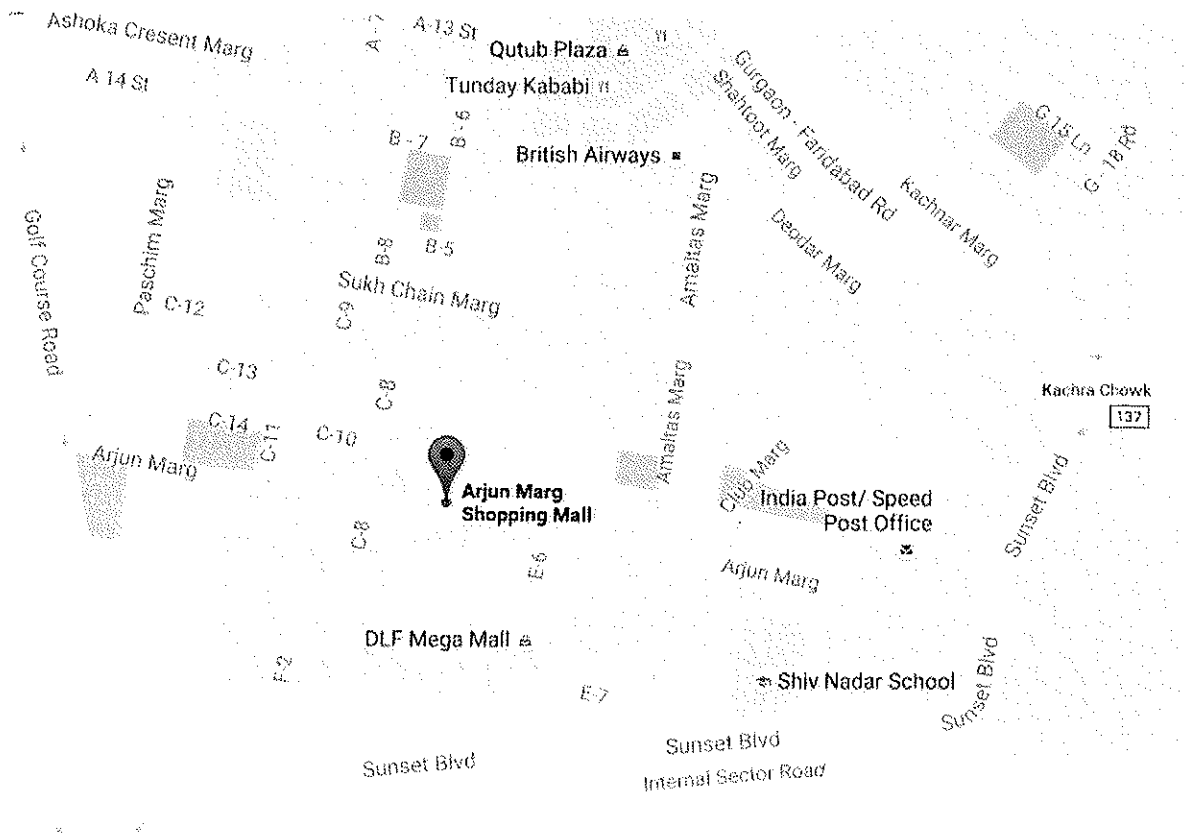
## Details of the Director seeking re-appointment at the Annual General Meeting

<b>Name of Director</b>	Mr. Anupam Sharma
<b>Age</b>	37
<b>Qualifications</b>	PGDBM from Institute of Marketing and Management.
<b>Experience</b>	Having rich experience of over 15 years in managing and handling Cinemas, Amusement Parks and Mall management. Prior to joining DLF Group, he was associated with PVR Cinemas and Appu Ghar.
<b>Terms and Conditions</b>	Director liable to retire by rotation.
<b>Details of remuneration sought to be paid</b>	Remuneration- N.A.
<b>Date of first appointment on the Board</b>	26.03.2012
<b>Shareholding in the Company</b>	Nil
<b>Relationship with Other Directors and other KMP(S)</b>	Nil
<b>Number of Board Meetings attended during the year (2016-17)</b>	5 (Five)
<b>Other Directorship(s)</b>	Nil
<b>Committee Positions in other Public Companies</b>	Nil

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## ROUTE MAP OF 18<sup>TH</sup> ANNUAL GENERAL MEETING VENUE



**LOCATION MAP OF SHOPPING MALL, PHASE-I, DLF CITY, GURUGRAM, HARYANA -122 002.**



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## DIRECTORS' REPORT

### To the Members,

Your Directors have pleasure in presenting their 18<sup>th</sup> Annual Report on the business and operations of the Company together with the audited financial results for the financial year ended 31<sup>st</sup> March, 2017.

### Financial Results

	(₹ in Lakh)	
	2016-17	2015-16
Total income from operations	23,001.84	19,870.35
Total Expenses	11,070.54	8,727.57
Profit before tax	11,931.30	11,142.78
Less: Tax Expenses	3,629.42	3,375.63
Net Profit	8,301.88	7,767.15

### Review of Operations

During the FY 2016-17, income from operations has been increased by 15.76% from ₹19,870.35 lakh (previous year) to ₹23,001.84 lakh due to increase in rental income, interest income and signage/promotional income. Further, in the current financial year, common area maintenance/HVAC (heating, ventilation and air-conditioning) was charged directly to tenants under the new arrangements which led to increase in income from operations. The expenses of the Company increased by 26.85% from ₹8,727.57 lakh (previous year) to ₹11,070.54 lakh due to amount spent on marketing initiatives and promotional activities carried out by the Company. Further, the common area maintenance/HVAC (heating, ventilation and air-conditioning) expense was incurred by the Company under the new arrangements leading to increase in expenses. The net profit of the Company stood at ₹8,301.88 lakh an increase of 6.88% against ₹7,767.15 lakh (previous year). The basic & diluted EPS for the FY 2016-17 is ₹167.41/- as compared to ₹156.63/- in previous year.

The Ministry of Corporate Affairs vide its notification dated 16<sup>th</sup> February, 2015, notified the Indian Accounting Standards (Ind AS) applicable for certain classes of Companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

# DLF EMPORIO LIMITED

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Accordingly, the financial statements for the year ended 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 including transition date balance sheet as at 1<sup>st</sup> April, 2015 have been presented in accordance with Ind AS. The reconciliations and descriptions of the effect of the transition from the previous GAAP to Ind AS have been set-out in note no. 44 of the financial statements.

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

DLF Emporio is a name truly synonymous with luxury. Exclusivity, space & aesthetics are the signatures of this spectacular offering. It is here, where India's leading designers & International luxury brands, exquisite lifestyle products and services are showcased all under one roof. DLF Emporio has been conceptualized and designed with the sole purpose of simply offering sheer luxury shopping experience for its esteemed customers. Currently there are over 54 International brands and 54 Indian designers, 4 Restaurants and 1 International Salon present in this generous space.

We have created very unique benchmarks in the luxury industry with DLF Emporio. The brand is committed to not only keep the experience for a shopper very high we also work constantly towards creating higher benchmarks and quality standards within the industry. As a testimonial to the superb benchmarking in the Luxury Industry, DLF Emporio has been adjudged as the "Iconic Project 2008" by Global Initiative for Restructuring Environment & Management, "Best Shopping Centre" by the "Shoppers and Consumers Insight" and "Images Group" from 2009-2012, "Most Admired Shopping Centre of the year 2014" by CMO Asia and "Asia's best Real Estate Project" by World Consulting & Research Corporation. DLF Emporio has recently received "5 Star rating in Occupational Health and Safety" by British Safety Council. ICE Awards has awarded our in-house magazine "The Wedding Issue 2014" amongst the top 100 magazines of the country and a "Certificate of Merit" to "The Festive Issue 2015".

## **Future Outlook**

The future of retail is becoming increasingly exciting with experience being rendered the greatest emphasis by various stakeholders. This variety of experience will be the key inflection point for success of malls, with food and beverages and entertainment facilities increasing in importance. Innovative developers are introducing new entertainment options in the malls and retailers are trying to merge online experiences with offline one to enhance customer's experience.

As a result, retail is being redefined for every stakeholder viz. retailers, investors, developers and consumers, because of pace at which the 'experience of retailing' has been changing over the last few years.

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Retail Markets need facilitation from the Government in terms of clear policies for the Sector and creating retail zones, thereby reducing infrastructure bottlenecks. Recent FDI retail policy and state level retail policies, where the Government is taking up the role of facilitator to create an environment conducive to retail business are steps in right directions.

## **Dividend**

### **(a) 9% Non-Cumulative Redeemable Preference Shares**

Your Board had declared an interim dividend of ₹3.62/-(approx.) per 9% Non-Cumulative Redeemable Preference Shares of ₹100/- each (hereinafter referred to as '9% RPS') on 4,000, 9% RPS amounting to ₹14,499/- for the period 1<sup>st</sup> April, 2016 to 26<sup>th</sup> August, 2016 (F.Y. 2016-17) at its meeting held on 26<sup>th</sup> August, 2016. The said 4,000 9% RPS were redeemed during the financial year under review.

### **(b) 12% Non-Cumulative Redeemable Preference Shares**

Your Board had declared an interim dividend of ₹4.83/- per 12% Non-Cumulative Redeemable Preference Shares of ₹100/- each (hereinafter referred to as '12% RPS') on 100, 12% RPS, amounting to ₹483/-, for the period 1<sup>st</sup> April, 2016 to 26<sup>th</sup> August, 2016 (F.Y. 2016-17) at its meeting held on 26<sup>th</sup> August, 2016. The said 100, 12% RPS were redeemed during the financial year under review.

### **(c) Equity Shares**

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

The total dividend payout on preference shares for the financial year 2016-17 is ₹14,982/- (₹37,200/- for FY 2015-16). Tax on dividend on preference shares for the Financial Year 2016-17 is ₹3,050/- (₹7,711/- for FY 2015-16).

## **Reserves**

During the financial year under review, the Company has transferred ₹1,748.40 lakh (₹1,753.19 lakh for the FY 2015-16) to Debenture Redemption Reserve towards redemption of redeemable non convertible debentures.

## **Material Changes and Commitment**

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

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## **Changes in the nature of Business**

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

## **Share Capital Structure**

During the financial year under review, the Company has redeemed 4,000, 9% Non -Cumulative Redeemable Preference Shares of ₹100/- each fully paid at par aggregating ₹4,00,000/- and 100, 12% Non-Cumulative Redeemable Preference Shares of ₹100/- each fully paid at par aggregating to ₹10,000/- out of the credit balance lying in the Profit and Loss Account of the Company.

Apart from the above there were no changes in share Capital of the Company.

## **Commercial mortgage backed securities (CMBS)**

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

ICRA Ltd. has re-affirmed the rating '**[ICRA] AA(SO)Stable**' on the CMBS, vide letter dated 7<sup>th</sup> November, 2016.

CRISIL Ltd. has reaffirmed the rating '**CRISIL AA(SO)/Stable**' on the CMBS, vide letter dated 6<sup>th</sup> March, 2017.

## **Fixed Deposits**

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

## **Holding Company**

Richmond Park Property Management Services Limited and DLF Cyber City Developers Limited are the holding companies of your Company. DLF Limited is the ultimate holding Company of your Company.

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## **Subsidiary Companies**

During the financial year under review your Company does not have any subsidiary Company.

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

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

## **Particulars of Employees**

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

## **Directors' Responsibility Statement**

In terms of the provisions of Section 134(5) of the Companies Act, 2013 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) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;

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- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **Number of Meetings of the Board**

During the financial year under review, the Board met 6 (six) times i.e. on May 17, August 26, November 04, December 01, 2016, January 30 and March 03, 2017 as per the under noted attendance. The maximum interval between any two meetings was 101 days. The requisite quorum was present in all the meetings:-

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Ms. Dinaz Madhukar	Director	6	6
2.	Mr. TSV Panduranga Sarma (Demised on January 09, 2017)	Independent Director	4	4
3.	Mr. Santosh Kumar Garg	Independent Director	6	6
4.	Mr. Surinder Singh Chawla (w.e.f January 30, 2017)	Independent Director	1	1
5.	Mr. Raj Kumar Jain	Nominee Director	6	5
6.	Mr. Anupam Sharma	Director and Manager	6	5
7.	Mr. Vivek Jhunjhunwala (up to 30 <sup>th</sup> June, 2017)	Director	6	6

## **Audit Committee**

The Audit Committee consists of the following members:

Mr. TSV Panduranga Sarma, Independent Director (Demised on January 09, 2017)	Chairman (till January 08, 2017)
Mr. Santosh Kumar Garg, Independent Director	Member

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Ms. Dinaz Madhukar, Director	Member
Mr. Surinder Singh Chawla, Independent Director (w.e.f. January 30, 2017)	Chairman (w.e.f. May 22, 2017)

The Board has accepted all recommendations of the Audit Committee.

During the financial year 2016-17, four meetings of the Audit Committee was held on May 17, August 26, December 01, 2016 and January 30, 2017 as per the under noted attendance. The maximum interval between any two meetings was 101 days. The requisite quorum was present in all the meetings:-

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Mr. TSV Panduranga Sarma, (Chairman) (Demised on January 09, 2017)	Independent Director	3	3
2.	Mr. Santosh Kumar Garg	Independent Director	4	4
3.	Mr. Surinder Singh Chawla (w.e.f. January 30, 2017)	Independent Director	NA	NA
4.	Ms. Dinaz Madhukar	Director	4	4

## **Vigil Mechanism**

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

The Chairman of the Audit committee has been authorised to hear the grievances of the Directors and employees, if any and take steps to resolve the issues amicably / award appropriate punishment to the offender and report the same to the Audit committee.

## **Nomination and Remuneration Committee**

The Company had constituted Nomination & Remuneration Committee consisting of the following members:

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Mr. TSV Panduranga Sarma, Independent Director (Demised on January 09, 2017)	Chairman (till January 08, 2017)
Mr. Santosh Kumar Garg, Independent Director	Member
Mr. Surinder Singh Chawla, Independent Director (w.e.f. January 30, 2017)	Chairman (w.e.f. March 03, 2017)
Ms. Dinaz Madhukar, Director	Member

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

During the financial year 2016-17, four meetings of the Nomination and Remuneration Committee were held on May 17, November 04, 2016, January 30 and March 03, 2017, the attendance of which is as under and requisite quorum was present in the meeting:-

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Mr. TSV Panduranga Sarma, (Chairman) (Demised on January 09, 2017)	Independent Director	2	2
2.	Mr. Santosh Kumar Garg	Independent Director	4	4
3.	Mr. Surinder Singh Chawla, Independent Director (w.e.f. January 30, 2017)	Independent Director	1	1
4.	Ms. Dinaz Madhukar	Director	4	4

## **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee consists of the following members:

Mr. Raj Kumar Jain, Nominee Director	Chairman
Mr. TSV Panduranga Sarma, Independent Director (Demised on January 09, 2017)	Member
Mr. Surinder Singh Chawla, Independent Director (w.e.f. January 30, 2017)	Member
Ms. Dinaz Madhukar, Director	Member



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During the financial year 2016-17, two meetings of the Corporate Social Responsibility Committee was held on May 17, 2016 and March 03, 2017, the attendance of which is as under and requisite quorum was present in all the meetings:-

S.No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	Mr. Raj Kumar Jain (Chairman)	Nominee Director	2	2
2.	Mr. TSV Panduranga Sarma (Demised on January 09, 2017)	Independent Director	1	1
3.	Mr. Surinder Singh Chawla, (w.e.f January 30, 2017)	Independent Director	1	1
4.	Ms. Dinaz Madhukar	Director	2	2

In accordance with the provisions of Section 135 of the Companies Act 2013 read with Schedule VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the "Act"), the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. During the financial year under review, the Company has made significant investments in community welfare initiatives for the underprivileged through education, training, health, environment, capacity building and rural-centric interventions through DLF Foundation. The Company has spent the prescribed CSR expenditure of ₹ 1.94 Crores i.e. 2% of the average Net profit of the Company for the last three financial years on CSR projects/activities.

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

## **Auditors**

In terms of the provisions of the Companies Act , 2013 read with Rules made thereunder, the term of Walker Chandiook & Co LLP, Chartered Accountants, Statutory Auditors, expires at the conclusion of the 18<sup>th</sup> Annual General Meeting (AGM) of the Company.

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The Board has recommended the appointment of S.R. Batliboi & Co. LLP (FRN: 301003E/E300005), Chartered Accountants as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 18<sup>th</sup> AGM till the conclusion of 23<sup>rd</sup> AGM for approval of the shareholders, based on the recommendation of the Audit Committee. S.R. Batliboi & Co. LLP have confirmed their eligibility and qualification to act as Statutory Auditors of the Company.

## **Auditors' Report**

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

## **Secretarial Audit**

The Board had appointed M/s Sanjay Grover & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017 is at **Annexure-'C'**. The said report does not contain any qualification, reservation and adverse remarks.

## **Directors & Key Managerial Personnel**

During the financial year under review, Mr. TSV Panduranga Sarma, an Independent Director on the Board of the Company demised on January 09, 2017. The Board places on record its appreciation for the contributions made by him in the deliberations of the Board.

The Board of Directors on the recommendations of the Nomination and Remuneration Committee appointed Mr. Surinder Singh Chawla as an Additional Director (in capacity of Independent Director) with effect from January 30, 2017 and re-appointed Mr. Santosh Kumar Garg, Independent Director for a further period of 3 years with effect from March 31, 2017, subject to the approval of shareholders, in compliance to Section 149 and 161 of the Companies Act, 2013.

The appointment of Mr. Chawla and re-appointment of Mr. Garg as an Independent Director for a period of 3 years was approved by the Shareholders at the Extraordinary General Meeting held on March 29, 2017.

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

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

During the financial year under review, Ms. Smiti Mehta resigned from the position of Company Secretary w.e.f May 06, 2016 and Mr. Gurpreet Singh resigned as CFO of the Company w.e.f. March 04, 2017. Mr. Vivek Jhunjhunwala resigned from the office of Director w.e.f July 1, 2017. The Board places on record its invaluable contributions made by him in the deliberations of the Board.

The Board of Directors on the recommendation of the Nomination & Remuneration Committee had appointed Ms. Rupa Agarwal as Company Secretary w.e.f November 04, 2016 and Mr. Hari Krishan Bansal was appointed as Chief Financial Officer w.e.f. March 04, 2017. Ms. Rupa Agarwal had resigned from the position of Company Secretary w.e.f 10<sup>th</sup> June , 2017.

On August 05, 2017, Mr. Manoj Kumar Dua on the recommendation of Nomination & Remuneration Committee was appointed by the Board as an Additional Director on the Board of the Company. The resolution pertaining to his appointment as director liable to retire by rotation being placed before the members for their approval in the ensuing Annual General Meeting of the Company. The Board recommend his appointment.

Mr. Manoj Kumar Dua is a Qualified Cost and Management Accountant, Company Secretary and Chartered Secretary (London, UK) with qualitative experience of 20 years in Corporate Financial Planning & Control, Accounts, Finance/ fund management, Commercial Operations, Systems implementations, Strategic Planning, Auditing, Direct & Indirect Taxation, Costing, Legal, Secretarial and compliance functions in manufacturing as well as Service organization(s). Mr. Dua has been part of DLF Group for past 11 years and currently holds the position of Assistant Vice President (Finance and Accounts) Mall division.

The Board of Directors in their meeting held on August 05, 2017, had appointed Mr. Anuj Kushwaha as Company Secretary of the Company w.e.f. August 08, 2017.

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

Mr. Anupam Sharma, Director & Manager and Mr. Hari Krishan Bansal, Chief Financial Officer are Key Managerial Personnel (KMP) of the Company in terms of the provisions of the Companies Act, 2013.

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

## **Extract of the Annual Return**

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

## **Particulars of loans, guarantees or investments**

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

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

## **Transactions with Related parties**

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

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

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## **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has devised criteria for evaluation of the performance of Directors including Independent Directors. The Board has carried out the annual performance evaluation of its own performance, its Committees and Directors. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations & compliance management etc. Separate exercise was carried out to evaluate the performance of Non-executive Directors on parameters such as experience, attendance, acquaintance with the business, effective participation, vision and strategy, contribution and independent judgement.

## **Risk Management**

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

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

## **Internal Financial Controls and Systems**

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

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

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## Significant and material orders passed by regulators or courts

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

## Accolades

During the financial year under review, "DLF Emporio" had been awarded the 'Retail Property of the Year' by Franchise India at the 9<sup>th</sup> Magpie Estate Award 2017.

## Details of Debenture Trustee

The details of Debenture Trustees are as under:

Axis Trustee Service Limited  
2<sup>nd</sup> Floor, E, Axis House,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg  
Worli, Mumbai – 400 025  
Tel: 022-24255216  
Fax: 022-24254200  
E-mail ID: [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)

## Acknowledgement

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

For and on behalf of the Board of Directors

Date : 05.08.2017  
Place: Gurugram

  
Anupam Sharma  
(Director & Manager)  
DIN: 05234238

  
Dinaz Madhukar  
(Director)  
DIN: 03453167

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Tel No: 0124-4778121, Fax No: 0124-4057414, E-mail: [dlfemporio@dlf.in](mailto:dlfemporio@dlf.in)

Annexure-'A'

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

## A. CONSERVATION OF ENERGY:

(i)	The steps taken or impact on conservation of energy;	NIL
(ii)	The steps taken by the company for utilizing alternate sources of energy;	Sourcing electricity from Open access model for cost reduction.
(iii)	The capital investment on energy conservation equipments;	NIL

*NW*

## B. TECHNOLOGY ABSORPTION:

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

# DLF EMPORIO LIMITED

Regd. Office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122 002  
(CIN - U74920HR1999PLC034168) Website: [www.dlfemporio.com](http://www.dlfemporio.com)  
Tel No: 0124-4778121, Fax No: 0124-4057414, E-mail: [dlfemporio@dlf.in](mailto:dlfemporio@dlf.in)

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

		(in ₹)	
		2016-17	2015-16
(i)	The Foreign Exchange earned in terms of actual inflows during the financial year; and	NIL	NIL
(ii)	The Foreign Exchange outgo during the financial year in terms of actual outflows.	NIL	NIL

For and on behalf of the Board of Directors

Date : 05.08.2017  
Place: Gurugram

  
Anupam Sharma  
(Director & Manager)  
DIN: 05234238

  
Dinaz Madhukar  
(Director)  
DIN: 03453167

L 7 D



# DLF EMPORIO LIMITED

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## Annual Report on Corporate Social Responsibility (CSR) Activities

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

Sl. No	Particulars	Remarks
1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programs	<p>DLF Emporio Limited has formulated its CSR Activities to integrate economic, environmental and social objectives with its operations and growth for common good as per Schedule VII of the Companies Act, 2013 and any amendments or modifications made thereto.</p> <p>Weblink to the CSR Policy is : <a href="http://www.dlfemporio.com/investors/pdfs/CSR Policy DLF Emporio Ltd.pdf">http://www.dlfemporio.com/investors/pdfs/CSR Policy DLF Emporio Ltd.pdf</a></p> <p>Copy of the CSR Policy is available for inspection by the members during business hours on any working day at the registered office of the company and will also be available at the meeting.</p>
2.	The Composition of the CSR Committee	<p>1) Mr. Raj Kumar Jain (Chairman)</p> <p>2) Mr. Surinder Singh Chawla (Member)</p> <p>3) Ms. Dinaz Madhukar (Member)</p>
3.	Average net profit of the company for last three financial years	₹96.82 Crores
4.	Prescribed CSR Expenditure (two percent of the amount as in Item 3 above)	₹1.94 Crores
5.	Details of CSR spent during the financial year:  a) Total amount to be spent for the financial year: b) Amount unspent, if any: c) Manner in which the amount spent during the financial year is detailed below:	<p>₹1.94 Crores</p> <p>Nil</p> <p>As detailed below</p>

# DLF EMPORIO LIMITED


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(₹ in Lakh)

DETAILS OF EXPENDITURE										
S. No	Programme Name	CSR project or activity identified	Sector in which the project is covered	Area / Location	Amount Outlay (Budget)	Direct expenditure on projects or programmes	Overheads	Cumulative Expenditure	Amount spent: Direct or through implementing agency	Reasons for not spending the allotted budget
1.	Cluster Development Programme	Social Support Programme - Medical	Healthcare	Pan India	30.78	18.44	0.74	19.18	DLF Foundation	Cases of social support request were lower than what was budgeted resulting in reduction in expenditure as compared to budget.
		Eye Care Programme	Healthcare	New Gurgaon (Haryana)	10.40	10.11	0.40	10.50	DLF Foundation	NA
2.	Swacch Programme	Sanitation and waste management	Sanitation	New Gurgaon (Haryana)	10.40	8.63	0.35	8.95	DLF Foundation	Project managed effectively resulting in reduction in expenditure as compared to budget.
		Urban Solid Waste Management Prog	Sanitation	Gurgaon (Haryana)	140.40	146.75	5.87	152.60	DLF Foundation	NA
3.	Urban Underprivileged Development Programme	Blood Donation	Healthcare	Gurgaon (Haryana)	2.08	2.67	0.11	2.77	DLF Foundation	NA
<b>Total</b>					<b>194.00</b>	<b>186.60</b>	<b>7.46</b>	<b>194.00</b>		

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

  
**Mr. Anupam Sharma**  
(Director & Manager)  
DIN: 05234238

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

**SANJAY GROVER & ASSOCIATES**  
COMPANY SECRETARIES

B-88, 1<sup>st</sup> Floor, Defence Colony, New Delhi - 110 024  
Tel. : (011) 4679 0000, Fax : (011) 4679 0012  
e-mail : contact@cssanjaygrover.in  
website : www.cssanjaygrover.in

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017

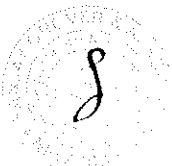
*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**DLF Emporio Limited**  
(CIN: U74920HR1999PLC034168)  
Shopping Mall, Phase- 1, DLF City,  
Gurgaon- 122002.

We 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) whose debt securities are listed on BSE Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**We report that-**

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Where ever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.



- f) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our 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, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 ("Audit Period") 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - (c) \*\*The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2016;

\*No event took place during the audit period.

\*\*Only debt securities of the Company are listed on BSE Limited, as such, provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 are not applicable *per se*. Further, as confirmed by the management, no such listed securities of the Company were held and/or traded by any insider of the Company during the audit period;



SANJAY GROVER & ASSOCIATES

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(vi) The Company has constructed a shopping mall-cum-entertainment complex named DLF Emporio at Vasant Kunj, New Delhi and further leased it to various tenants. As informed by the management, there is no sector specific law applicable on the Company.

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

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

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

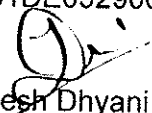
**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** members of the Company in their Annual General Meeting held on August 26, 2016, pursuant to section 186 of the Act, passed special resolution for granting unsecured loan repayable on demand to DLF Home Developers Limited, a fellow subsidiary Company, for an amount up to Rs. 100,00,000/- (Rupees One Hundred Crore Only), in addition to the existing sanctioned loan, at a rate of 13.5% p.a. or such other rate as may be mutually agreed (not less than the prevailing yield rate of government securities), in one or more tranches.



New Delhi  
August 05, 2017

For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No. P2001DE052900

  
Lokesh Dhyani  
Partner  
CP No. 16185

<b>FORM MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2017</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.</b>

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U74920HR1999PLC034168
ii	Registration Date	17/03/1999
iii	Name of the Company	DLF Emporio Limited
iv	Category/Sub-category of the Company	Public Company, Limited by Shares
v	Address of the Registered office & contact details	Shopping Mall, Phase - 1, DLF City, Gurugram - 122 002, Haryana. Tel No: 0124-4778121, Fax No: 0124-4057414 Contact Details : 0124-4778101/8121 E- mail ID: punjani-rp@dlf.in
vi	Whether listed company	Yes (Debentures are listed with BSE)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	For Debentures: Kavy Computershare Private Limited Kavy Selenium Tower B, Plot no. 31&32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Contact Person- Mr. Varghese P.A.: 040-67162222
		For Equity : Alankit Assignments Limited 'Alankit House' 2E/21, Jhandewalan Extn., New Delhi - 110055 Contact Person- Mr. J.K. Singla : 011-42541960

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SI No.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Richmond Park Property Management Services Limited Regd. Office: Shopping Mall, Phase - 1, DLF City, Gurgaon - 122 002	U74920HR1999PLC034194	Holding	54.96%	2(46)
2	DLF Cyber City Developers Limited (Holding of Richmond Park Property Management Services Limited) Regd. Office: 10th Floor, Gateway Tower, DLF City, Phase-III, Gurgaon - 122002	U45201HR2006PLC036074	Holding	44.92%	2(46)
3	DLF Limited (Holding of DLF Cyber City Developers Limited) Regd. Office: Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase-I, Gurgaon - 122002	L70101HR1963PLC002484	Holding	-	2(46)

## (I) Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	4,956,502	-	4,956,502	99.95	4,956,502	-	4,956,502	99.95	0
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (1)</b>	4,956,502	-	4,956,502	99.95	4,956,502	-	4,956,502	99.95	0
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	4,956,502	-	4,956,502	99.95	4,956,502	-	4,956,502	99.95	0
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0
<b>(2) Non Institutions</b>									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	2,498	-	2,498	0.05	2,498	-	2,498	0.05	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2):</b>	2,498	-	2,498	0.05	2,498	-	2,498	0.05	-
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	2,498	0	2,498	0.05	2,498	0	2,498	0.05	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	4,959,000	-	4,959,000	100	4,959,000	-	4,959,000	100	0

## (II) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Richmond Park Property Management Services Limited	2,725,750	54.96	54.96	2,725,750	54.96	54.96	0
2	DLF Cyber City Developers Limited alongwith its nominees	2,227,502	44.93	44.93	2,227,502	44.93	44.93	0
3	Galleria Property Management	3,250	0.06	0.06	3,250	0.06	0.06	0
	<b>Total</b>	<b>4,956,502</b>	<b>99.95</b>	<b>99.95</b>	<b>4,956,502</b>	<b>99.95</b>	<b>99.95</b>	<b>0</b>

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	4,956,502	99.95	4,956,502	99.95
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There is no change in %age of shareholding			
2	At the end of the year	-	-	4,956,502	99.95

## (iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year				
i	Kirtiman Builders Ltd.	1,498	0.03	1,498	0.03
ii	Ujagar Estate Limited	1,000	0.02	1,000	0.02
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
i	Kirtiman Builders Ltd.	Nil	Nil	Nil	Nil
ii	Ujagar Estate Limited	Nil	Nil	Nil	Nil
2	At the end of the year (or on the date of separation, if separated during the year)				
i	Kirtiman Builders Ltd.	-	-	1,498	0.03
ii	Ujagar Estate Limited	-	-	1,000	0.02

## (v) Shareholding of Directors and Key Managerial Personnel:

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



V INDEBTEDNESS

(In ₹)

Indebtedness of the Company Including Interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	5,25,00,00,000	-	-	5,25,00,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,72,45,891	-	-	1,72,45,891
<b>Total (i+ii+iii)</b>	<b>5,26,72,45,891</b>	<b>-</b>	<b>-</b>	<b>5,26,72,45,891</b>
Change in Indebtedness during the financial year				
Addition	15,67,807	-	-	15,67,807
Reduction	-	-	-	-
<b>Net Change</b>	<b>15,67,807</b>	<b>-</b>	<b>-</b>	<b>15,67,807</b>
Indebtedness at the end of the financial year				
i) Principal Amount	5,25,00,00,000	-	-	5,25,00,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,88,13,698	-	-	1,88,13,698
<b>Total (i+ii+iii)</b>	<b>5,26,88,13,698</b>	<b>-</b>	<b>-</b>	<b>5,26,88,13,698</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors:

(in ₹)

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Late Shri TSV Pondurango Sarma	Mr. Santosh Kumar Garg	Mr. Surinder Singh Chawla	-
	(a) Fee for attending board/ committee meetings	2,00,000	2,80,000	60,000	5,40,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>2,00,000</b>	<b>2,80,000</b>	<b>60,000</b>	<b>5,40,000</b>
2	Other Non Executive Directors	Mr. Raj Kumar Jain (Nominee Director)	-	-	-
	(a) Fee for attending board/ committee meetings	1,40,000	-	-	1,40,000
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	<b>1,40,000</b>	<b>-</b>	<b>-</b>	<b>1,40,000</b>
	<b>Total (B)=(1+2)</b>				<b>6,80,000</b>
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>	-	-	-	-

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

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


*P. W.*


VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

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

Date: 05.08.2017  
Place: Gurugram

  
Anupam Sharma  
Director & Manager  
DIN- 05234238

  
Dinaz Madhukar  
Director  
DIN- 03453167  
LTD

# Walker Chandlok & Co LLP

**Walker Chandlok & Co LLP**  
(Formerly Walker, Chandlok & Co)  
L-41 Connaught Circus  
New Delhi 110001  
India

## Independent Auditor's Report

To the Members of DLF Emporio Limited

T +91 11 4278 7070  
F +91 11 4278 7071

## Report on the Financial Statements

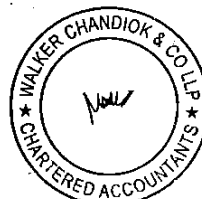
1. We have audited the accompanying financial statements of DLF Emporio Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

## Auditor's Responsibility

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



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

## Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Other Matter

9. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2016 and 31 March 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which we issued auditor's reports to the shareholders of the Company dated 17 May 2016 and 15 May 2015 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the financial statements dealt with by this report are in agreement with the books of account;



# Walker Chandiook & Co LLP

- d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 22 May 2017 as per Annexure B expressed unmodified opinion; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company, as detailed in Note 37 to the financial statements, has disclosed the impact of pending litigations on its financial position;
  - 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; and
  - iv. the Company, as detailed in Note 12.3 to the financial statements, has made requisite disclosures in these financial statements as to holdings as well as dealings in Specified Bank Notes ("SBN's") during the period from 8 November 2016 to 30 December 2016. Further, as informed to us by the management, SBN's aggregating to ₹ 0.82 lakhs have been deposited by certain vendor directly into the Bank account of the Company. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these disclosures read together with footnote to Note 12.3, are in accordance with the books of account maintained by the Company.

*Walker Chandiook & Co LLP*  
For Walker Chandiook & Co LLP  
(formerly Walker, Chandiook & Co)  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*MA*  
per Manish Agrawal  
Partner  
Membership No.: 507000

Place: Gurugram  
Date: 22 May 2017



# Walker ChandioK & Co LLP

## Annexure A to the Independent Auditor's Report of even date to the members of DLF Emporio Limited, on the financial statements for the year ended 31 March 2017

### Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property, plant and equipment and investment property.
- (b) The fixed assets comprising of property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets comprising of property, plant and equipment and investment property is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

## Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	767.07	NIL	Financial year 2007-08 to 2009-10	Commissioner Service Tax, Delhi
Finance Act, 1994	Service Tax	60.76	NIL	Financial year 2011-12	Commissioner Service Tax, Delhi
Income Tax Act, 1961	Income tax	1,231.82	NIL	Assessment year 2010-11	Income Tax Appellate Tribunal

- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.





# Walker Chandiook & Co LLP

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

*Walker Chandiook & Co LLP*  
For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Manish*  
per **Manish Agrawal**  
Partner  
Membership No.: 507000



Place: Gurugram  
Date: 22 May 2017

# Walker ChandioK & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of DLF Emporio Limited, on the financial statements for the year ended 31 March 2017

## Annexure B

### Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of DLF Emporio Limited ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

#### Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 (the "Guidance Note") 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 the Company's business, including adherence to 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 Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

#### Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR 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 IFCoFR 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.



# Walker ChandioK & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of DLF Emporio Limited, on the financial statements for the year ended 31 March 2017

## Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note issued by ICAI.

*Walker ChandioK & Co LLP*  
For Walker ChandioK & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Manish Agrawal*  
per Manish Agrawal  
Partner  
Membership No.: 507000



Place: Gurugram  
Date: 22 May 2017

**DLF Emporio Limited**  
**Balance Sheet as at 31 March 2017**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

Note	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	0.05	10.10
Investment property	5	38,500.89	40,098.03
<b>Financial assets</b>			
Investments	6	21.31	20.39
Loans	7	2,747.87	2,763.75
Other financial assets	8	1,735.39	1,430.63
Non-current tax assets (net)	9	1,215.24	476.68
Other non-current assets	10	-	66.77
<b>Total non-current assets</b>		<b>44,220.75</b>	<b>44,866.35</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Trade receivables	11	376.95	257.24
Cash and cash equivalents	12	1,284.97	684.13
Other bank balances	13	1,043.67	566.92
Loans	7	64,046.09	46,045.65
Other current assets	10	193.02	49.04
<b>Total current assets</b>		<b>66,944.70</b>	<b>47,602.98</b>
<b>TOTAL ASSETS</b>		<b>111,165.45</b>	<b>92,469.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14.1	495.90	495.90
Other equity	15	49,477.06	33,407.32
<b>Total equity</b>		<b>49,972.96</b>	<b>33,903.22</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	51,193.77	50,993.04
Other financial liabilities	17	2,823.07	3,889.36
Deferred tax liabilities (net)	18	2,738.64	1,788.20
Other non-current liabilities	19	916.57	394.99
<b>Total non-current liabilities</b>		<b>57,672.05</b>	<b>56,467.92</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowing	20	-	4.10
Trade payables	21	570.00	59.89
Other financial liabilities	22	2,347.90	1,394.14
Other current liabilities	23	602.54	640.06
<b>Total current liabilities</b>		<b>3,520.44</b>	<b>2,098.19</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>111,165.45</b>	<b>92,469.33</b>



**Summary of significant accounting policies**

3


The accompanying notes form an integral part of these financial statements

For and on behalf of the Board of Directors

  
**Hari Krishan Bansal**  
 Chief Financial Officer

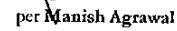
    
**Rupa Agarwal** **Dinaz Madhukar** **Anupam Sharma**  
 Company Secretary Director Director and Manager  
 M. No. A23376 DIN - 03453167 DIN - 05234238

This is the Balance Sheet referred to in our report of even date

  
 For Walker Chandiook & Co LLP  
 (formerly Walker, Chandiook & Co)  
 Chartered Accountants

Place : Gurugram  
 Date : 22 May 2017



  
 per **Manish Agrawal**  
 Partner

**DLF Emporio Limited**

**Statement of Profit and Loss for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

	Note	For year ended 31 March 2017	For year ended 31 March 2016
<b>Revenue</b>			
Revenue from operations	24	15,174.03	12,961.89
Other income	25	7,827.81	6,908.46
<b>Total income</b>		<b>23,001.84</b>	<b>19,870.35</b>
<b>Expenses</b>			
Finance costs	26	6,463.88	6,462.10
Depreciation expense	27	784.91	795.94
Other expenses	28	3,821.75	1,469.53
<b>Total expenses</b>		<b>11,070.54</b>	<b>8,727.57</b>
<b>Profit before tax</b>		<b>11,931.30</b>	<b>11,142.78</b>
Tax expense	29		
Current tax		3,733.22	3,448.83
Deferred tax credit		(103.80)	(73.20)
<b>Profit for the year</b>		<b>8,301.88</b>	<b>7,767.15</b>
<b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss			
Fair valuation gain / (loss) of investment in equity instrument		3.85	(2.93)
ii) Income tax relating to items that will not be reclassified to profit or loss			
		(0.89)	0.68
<b>Total comprehensive income for the year</b>		<b>8,304.84</b>	<b>7,764.90</b>
<b>Earnings per equity share (₹)</b>			
(Basic and diluted)	30	167.41	156.63




**Summary of significant accounting policies**

3


The accompanying notes form an integral part of these financial statements

  
**Hari Krishan Bansal**  
 Chief Financial Officer

For and on behalf of the Board of Directors

    
**Rupa Agarwal**      **Dinaz Madhukar**      **Anupam Sharma**  
 Company Secretary      Director      Director and Manager  
 M. No. A23376      DIN - 03453167      DIN - 05234238

This is the Statement of Profit and Loss referred to in our report of even date

  
 For Walker Chandiook & Co LLP  
*(formerly Walker, Chandiook & Co)*  
 Chartered Accountants

Place : Gurugram  
 Date : 22 May 2017



  
 pck Manish Agrawal  
 Partner

**DLF Emporio Limited**

**Cash Flow Statement for the year ended 31 March 2017**


*(All amounts in ₹ lakhs, unless otherwise stated)*

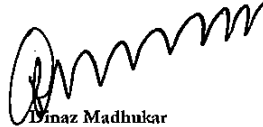
	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>A. Cash flow from operating activities</b>		
Net profit before tax	11,931.30	11,142.78
Adjustment for :		
Interest expense	5,923.84	5,924.15
Interest income	(7,776.74)	(6,898.40)
Amount forfeited on properties	(19.02)	(39.91)
Unclaimed balances written back	20.17	-
Depreciation expense	784.91	795.94
Financial assets measured at amortised cost (net)	(24.77)	2.56
Financial liability measured at amortised cost (net)	2.14	36.21
<b>Operating profit before working capital changes</b>	<b>10,841.83</b>	<b>10,963.33</b>
Adjustment for change in working capital :		
(Increase) in trade receivables	(48.67)	(71.05)
Decrease/(increase) in financial and other assets	12.48	(49.52)
Increase in trade payables	425.51	84.60
(Decrease)/increase in financial other liabilities	(177.52)	42.45
<b>Cash flow from operations</b>	<b>11,053.63</b>	<b>10,969.81</b>
Income tax paid (net of refunds)	(2,768.40)	(3,021.71)
<b>Net cash flow from operating activities</b>	<b>8,285.23</b>	<b>7,948.10</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(30.56)	(27.20)
Unsecured loans given to related parties	(8,250.00)	(4,725.00)
Movement in restricted cash-fixed deposit (pledged)	(148.84)	(140.43)
Movement in fixed deposits (net)	(421.38)	(55.37)
Interest received	7,002.33	2,629.80
<b>Net cash used in investing activities</b>	<b>(1,848.45)</b>	<b>(2,318.20)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of preference share capital	(4.10)	-
Interest paid	(5,707.45)	(5,754.29)
<b>Net cash flow used in financing activities</b>	<b>(5,711.55)</b>	<b>(5,754.29)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>725.23</b>	<b>(124.39)</b>
Cash and cash equivalents at the beginning of the year	559.74	684.13
<b>Cash and cash equivalents at the end of the year (refer note 12)</b>	<b>1,284.97</b>	<b>559.74</b>

Figures in brackets represents cash outflow.

For and on behalf of the Board of Directors

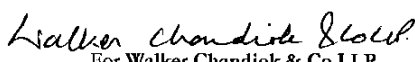
  
Hari Krishan Bansal  
Chief Financial Officer

  
Rupa Agarwal  
Company Secretary  
M. No. A23376

  
Dinaz Madhukar  
Director  
DIN - 03453167

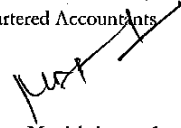
  
Anupam Sharma  
Director & Manager  
DIN - 05234238

This is the Cash Flow Statement referred to in our report of even date.

  
For Walker Chandio & Co LLP  
(formerly Walker, Chandio & Co)

Chartered Accountants



  
per Manish Agrawal  
Partner

Place : Gurugram  
Date : 22 May 2017

**DLF Emporio Limited**

Statement of changes in equity for the year ended 31 March 2017

(All amounts in ₹ lakhs, unless otherwise stated)

**A Equity share capital**

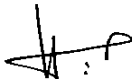
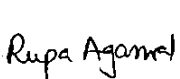


Particulars	Balance as at 1 April 2015	Change in equity share capital during the year	Balance as at 31 March 2016	Change in equity share capital during the year	Balance as at 31 March 2017
Equity share capital	495.90	-	495.90	-	495.90

**B Other equity\***


Particulars	Reserves and surplus				Other comprehensive income - reserve	Total
	Capital Redemption Reserve	Securities Premium Reserve	Debenture redemption reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance as at 1 April 2015	-	4,455.00	1,504.11	27,441.72	6.49	33,407.32
Profit for the year	-	-	-	7,767.15	-	7,767.15
Total comprehensive income for the year	-	-	-	-	(2.25)	(2.25)
Transfer from/to retained earnings	-	-	1,753.19	(1,753.19)	-	-
Balance as at 31 March 2016	-	4,455.00	3,257.30	33,455.68	4.24	41,172.22
Profit for the year	-	-	-	8,301.88	-	8,301.88
Total comprehensive income for the year	-	-	-	-	2.96	2.96
Transfer from/to retained earnings	4.10	-	1,748.40	(1,752.50)	-	-
Balance as at 31 March 2017	4.10	4,455.00	5,005.70	40,005.06	7.20	49,477.06

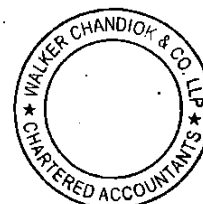
\* Refer note 15 for details.

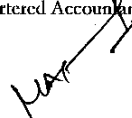
For and on behalf of the Board of Directors

 Hari Krishan Bansal Chief Financial Officer	 Rupa Agarwal Company Secretary M. No. A23376	 Dinaz Madhukar Director DIN - 03453167	 Anupam Sharma Director and Manager DIN - 05234238
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This is the Statement of changes in equity referred to in our report of even date

  
For Walker Chandiook & Co LLP  
(formerly Walker, Chandiook & Co)  
Chartered Accountants



  
per Manish Agrawal  
Partner

Place : Gurugram  
Date : 22 May 2017

**1. Corporate information**

**Nature of principal activities**

DLF Emporio Limited (“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. and further leases it to intending tenants.

**General information and statement of compliance with Ind AS**

These financial statements (“financial statements”) of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (“MCA”). The Company has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended 31 March 2017 are the first which the Company has prepared in accordance with Ind AS. For all periods up to and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. For the purpose of comparatives, financial statements for the year ended 31 March 2016 and opening balance sheet as at 1 April 2015 are prepared under Ind AS.

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

The financial statements for the year ended 31 March 2017 were authorized and approved for issue by the Board of Directors on 22 May 2017.

**2. Recent accounting pronouncement**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, ‘Statement of cash flows’ and Ind AS 102, ‘Share-based payment.’ The amendments are applicable to the Company from 1 April 2017.

*Amendment to Ind AS 7*

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

**3. Summary of significant accounting policies**

**a) Overall consideration**

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.





*Basis of preparation*

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. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

**b) Current versus non-current classification**

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

**c) Revenue recognition**

Revenue arises from the sale of goods and the rendering of services. Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate, taxes etc. The Company applies the revenue recognition criteria to each nature of revenue transaction as set out below.

*Rental income*

Rental income is recognised on a straight-line basis over the term of the lease, except for contingent rental income which is recognised when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs. Parking income and fit out rental income is recognised in statement of profit and loss on accrual basis.

*Service income*

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

*Interest income*

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

*Advertisement income*

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

*Utility services*

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

**d) Borrowing costs**

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



**e) Property, plant and equipment***Recognition and initial measurement*

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

*Subsequent measurement (depreciation and useful lives)*

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

<b>Asset category</b>	<b>Estimated useful life (in years)</b>
Office equipment	5

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

*De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

*Transition to Ind AS*

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

**f) Investment properties***Recognition and initial measurement*

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

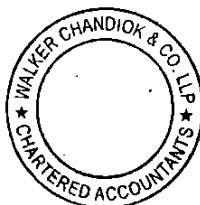
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss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

*Subsequent measurement (depreciation and useful lives)*

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

<b>Asset category</b>	<b>Estimated useful life (in years)</b>
Buildings	60
Plant and equipments	15

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



*De-recognition*

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

*Transition to Ind AS*

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

**g) Operating leases**

**Company as a lessee**

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

**Company as a lessor**

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

**h) Impairment of non-financial assets**

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

**i) Financial instruments**

**Financial assets**

*Initial recognition and measurement*

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

*Subsequent measurement*

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

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



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

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

*De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Financial liabilities**

*Initial recognition and measurement*

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

*Subsequent measurement*

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

*De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**j) Impairment of financial assets**

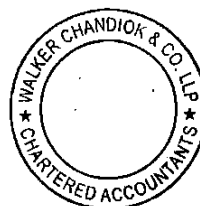
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the 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. 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*

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.



*Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

**k) 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 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).

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.

**l) Cash and cash equivalents**

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

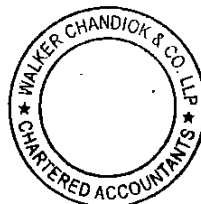
**m) Provisions, contingent assets and contingent liabilities**

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

Contingent liability is disclosed for:

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

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



**n) Earnings per share**

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

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

**o) Significant management judgement in applying accounting policies and estimation uncertainty**

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

*Significant management judgements*

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

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

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

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

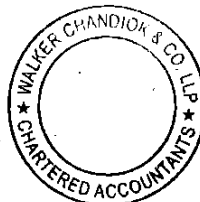
**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

*Significant estimates*

**Useful lives of depreciable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets.

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

**Valuation of investment property** – The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings and future revenue streams) and discount rates applicable to those assets. These estimates are based on local market conditions existing at the balance sheet date.



**DLF Emporio Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017***(All amounts in ₹ lakhs, unless otherwise stated)***4 Property, plant and equipment**

The changes in the carrying value of property, plant and equipment for the year ended 31 March 2017 and 31 March 2016 are as follows :

	Office equipments	Total
<b>Gross block</b>		
As at 1 April 2015	10.10	10.10
Additions	-	-
Disposals/adjustment	-	-
As at 31 March 2016	<u>10.10</u>	<u>10.10</u>
As at 1 April 2016	10.10	10.10
Additions	-	-
Disposals/adjustment *	(2.26)	(2.26)
As at 31 March 2017	<u>7.84</u>	<u>7.84</u>
<b>Accumulated depreciation</b>		
As at 1 April 2015	-	-
Charge for the year	9.94	9.94
Disposals / adjustment	-	-
As at 31 March 2016	<u>9.94</u>	<u>9.94</u>
As at 1 April 2016	9.94	9.94
Charge for the year	0.10	0.10
Disposals/adjustment *	(2.26)	(2.26)
As at 31 March 2017	<u>7.79</u>	<u>7.79</u>
<b>Net block</b>		
As at 1 April 2015	10.10	10.10
As at 31 March 2016	0.16	0.16
As at 31 March 2017	0.05	0.05

\* Figures in disposals/adjustments column represents adjustments on account of amounts written back against liabilities towards creditors for capital goods.

**(i) Contractual obligations**

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

**(ii) Capitalised borrowing cost**

The Company has not capitalised any borrowing cost during the year ended 31 March 2017, 31 March 2016 and 1 April 2015.

**(iii) Deemed cost of property, plant and equipment as on 1 April 2015**

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



**DLF Emporio Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

**5 Investment property**

The changes in the carrying value of investment properties for the year ended 31 March 2017 and 31 March 2016 are as follows :

	Freehold land	Buildings	Plant and equipments	Total
<b>Gross block</b>				
As at 1 April 2015	18,477.14	17,499.20	4,121.69	40,098.03
Additions	-	-	-	-
Disposals/adjustment *	-	(38.37)	-	(38.37)
<b>As at 31 March 2016</b>	<b>18,477.14</b>	<b>17,460.83</b>	<b>4,121.69</b>	<b>40,059.66</b>
As at 1 April 2016	18,477.14	17,460.83	4,121.69	40,059.66
Additions	-	-	30.56	30.56
Disposals/adjustment *	-	(15.95)	(0.31)	(16.26)
<b>As at 31 March 2017</b>	<b>18,477.14</b>	<b>17,444.88</b>	<b>4,151.94</b>	<b>40,073.96</b>
<b>Accumulated depreciation</b>				
As at 1 April 2015	-	-	-	-
Charge for the year	-	323.54	467.08	790.62
Disposals / adjustment *	-	(4.62)	-	(4.62)
<b>As at 31 March 2016</b>	<b>-</b>	<b>318.92</b>	<b>467.08</b>	<b>786.00</b>
As at 1 April 2016	-	318.92	467.08	786.00
Charge for the year	-	321.59	465.76	787.36
Disposals/adjustment *	-	(0.26)	(0.02)	(0.28)
<b>As at 31 March 2017</b>	<b>-</b>	<b>640.25</b>	<b>932.82</b>	<b>1,573.07</b>
<b>Net block</b>				
As at 1 April 2015	18,477.14	17,499.20	4,121.69	40,098.03
As at 31 March 2016	18,477.14	17,141.91	3,654.61	39,273.67
<b>As at 31 March 2017</b>	<b>18,477.14</b>	<b>16,804.63</b>	<b>3,219.12</b>	<b>38,500.89</b>

\* Figures in disposals/adjustments column represents adjustments on account of amounts written back against liabilities towards creditors for capital goods.

**(i) Contractual obligations**

The company does not have any contractual commitments for acquisition of investment property.

**(ii) Capitalised borrowing cost**

The Company has not capitalised any borrowing cost during the year ended 31 March 2017, 31 March 2016 and 1 April 2015.

**(iii) Amount recognised in profit and loss for investment properties**

Particulars	31 March 2017	31 March 2016
Rental income	12,227.65	12,178.46
Direct operating expenses that generated rental income	20.50	175.32
Direct operating expenses that did not generated rental income	-	-
<b>Profit from leasing of investment properties before depreciation</b>	<b>12,207.15</b>	<b>12,003.14</b>
Depreciation expense	787.07	786.00
<b>Profit from leasing of investment properties after depreciation</b>	<b>11,420.08</b>	<b>11,217.14</b>

**(iv) Leasing arrangements**

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. The company has given building and related equipment on lease. The Company has entered into non- cancellable lease agreements with the tenants to whom it has leased out shops in Emporio Mall. The details of future minimum lease rentals receivable under operating lease for each of the following periods as on 31 March 2017 are mentioned below:

	31 March 2017	31 March 2016	1 April 2015
Upto one year	6,551.67	7,747.91	7,320.15
Two to five years	1,107.16	1,176.50	2,804.43
More than five years	-	-	-
<b>Total</b>	<b>7,658.83</b>	<b>8,924.41</b>	<b>10,124.58</b>





**DLF Emporio Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017***(All amounts in ₹ lakhs, unless otherwise stated)***(v) Fair value**

	31 March 2017	31 March 2016	1 April 2015
Fair value	133,500.00	149,580.00	112,990.00

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

For constructed properties, the valuation has been taken as an average of the values arrived using the following methodologies –

(i) Discounted cash flow method – net present value is determined based on projected cash flows discounted at an appropriate rate

(ii) Sales comparable method – this method compares the price or price per unit area of similar properties being sold in the marketplace

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

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

Description	Gross block	Accumulated depreciation	Net block
Freehold land	18,477.14	-	18,477.14
Buildings	20,296.95	2,797.75	17,499.20
Plant and equipments	5,266.07	1,144.38	4,121.69
<b>Total</b>	<b>44,040.16</b>	<b>3,942.13</b>	<b>40,098.03</b>

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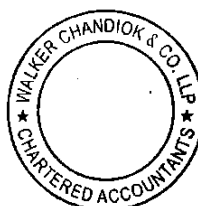
**DLF Emporio Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>6 Investments - non current</b>			
<b>In equity instruments (unquoted)*</b>			
<b>In Others</b>			
DLF Utilities Limited (120,000 equity shares (31 March 2016 - 120,000, 1 April 2015 - ₹ 120,000) of ₹ 10 each fully paid up)	21.31	17.46	20.39
(Refer note 43)	<u>21.31</u>	<u>17.46</u>	<u>20.39</u>
*Investments is measured at fair value through other comprehensive income ('FVOCI'). No dividends have been received from such investments during the year.			
Aggregate amount of unquoted investments	21.31	17.46	20.39
Aggregate amount of impairment in value of investments	-	-	-
	<u>As at 31 March 2017</u>	<u>As at 31 March 2016</u>	<u>As at 1 April 2015</u>
	<u>Non-current</u>	<u>Non-current</u>	<u>Non-current</u>
	<u>As at 31 March 2017</u>	<u>As at 31 March 2016</u>	<u>As at 1 April 2015</u>
	<u>Current</u>	<u>Current</u>	<u>Current</u>
<b>7 Loans</b>			
<b>(Unsecured, considered good)</b>			
<b>Due from related parties</b>			
DLF Emporio Restaurants Limited	2,621.75	2,621.75	2,621.75
DLF Home Developers Limited	-	-	-
Security deposits to related party	-	18.25	15.88
Security deposits - others	126.12	126.12	126.12
Other loans	-	-	-
	<u>2,747.87</u>	<u>2,766.12</u>	<u>2,763.75</u>
	<u>64,046.09</u>	<u>55,032.07</u>	<u>46,045.65</u>
<b>8 Other financial assets</b>			
Deposits with original maturity more than 12 months*	1,735.39	1,575.86	1,430.63
	<u>1,735.39</u>	<u>1,575.86</u>	<u>1,430.63</u>
* pledged with debenture trustee			
<b>9 Current tax assets (net)</b>			
Income tax paid (net of provision)	1,215.24	1,126.70	476.68
	<u>1,215.24</u>	<u>1,126.70</u>	<u>476.68</u>
<b>10 Other assets</b>			
Balance with statutory authorities	-	-	-
Prepaid expenses	-	57.04	66.77
	<u>-</u>	<u>57.04</u>	<u>66.77</u>
	<u>129.65</u>	<u>82.88</u>	<u>39.32</u>
	<u>63.37</u>	<u>22.86</u>	<u>9.72</u>
	<u>193.02</u>	<u>105.74</u>	<u>49.04</u>

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**DLF Emporio Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>11 Trade receivables</b>			
<b>Related Parties</b>			
Secured, considered good	58.29	97.47	33.68
Unsecured, considered good	26.19	1.14	-
<b>Others</b>			
Secured, considered good	282.96	208.56	217.17
Unsecured			
- Considered good	9.51	21.11	6.39
- Considered doubtful	14.02	14.02	14.02
	<u>390.97</u>	<u>342.30</u>	<u>271.26</u>
Less : Allowance for expected credit loss	(14.02)	(14.02)	(14.02)
	<u>376.95</u>	<u>328.28</u>	<u>257.24</u>
<b>12 Cash and cash equivalents</b>			
Balances with banks			
In current account (refer note 12.1)	32.11	59.23	38.97
In escrow account (refer note 12.2)	1,252.86	500.51	642.24
Bank deposits with original maturity less than 3 months	-	-	2.92
	<u>1,284.97</u>	<u>559.74</u>	<u>684.13</u>

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

12.2 ₹ 1,252.86 lakhs (31 March 2016 ₹ 500.51 lakhs and 1 April 2015 ₹ 642.24 lakhs) representing deposits, held by the entity that are not available for use by the Company, as these are pledged with the banks to fulfill the collateral requirements of borrowings taken by the Company.

12.3 Information pursuant to G.S.R. 308(E) dated 30 March 2017 issued by Ministry of Corporate Affairs:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8 November 2016*	0.45	0.00	0.45
Add: Permitted receipts	0.37	27.65	28.02
Less: Permitted payments	-	-	-
Less: Amount deposited in Banks	0.82	26.81	27.63
Closing cash in hand as on 30 December 2016	-	0.85	0.85

The Company, on its own, does not maintained cash, however, it has entered into an arrangement with a vendor for collection and deposit of cash, collected on behalf of the Company in connection with car parking revenue, details of which have been disclosed above. SBN's aggregating ₹ 0.82 lakhs were deposited by the vendor directly into the Company's bank account

\* Other denomination notes amounting to ₹ 480, rounded off to ₹ in lakh.

**13 Other bank balances**

Bank deposits with original maturity more than 3 months but less than 12 months*	1,043.67	622.29	566.92
	<u>1,043.67</u>	<u>622.29</u>	<u>566.92</u>

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

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**DLF Emporio Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
<b>14 Share capital</b>						
<b>14.1 Equity share capital</b>						
<b>(a) Authorised equity share capital</b>						
Equity shares of ₹ 10 each	4,959,000	495.90	4,959,000	495.90	4,959,000	495.90
	<b>4,959,000</b>	<b>495.90</b>	<b>4,959,000</b>	<b>495.90</b>	<b>4,959,000</b>	<b>495.90</b>
<b>(b) Issued, subscribed and paid up</b>						
Equity shares of ₹ 10 each	4,959,000	495.90	4,959,000	495.90	4,959,000	495.90
	<b>4,959,000</b>	<b>495.90</b>	<b>4,959,000</b>	<b>495.90</b>	<b>4,959,000</b>	<b>495.90</b>
<b>(i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year</b>						
At the beginning of the year	4,959,000	495.90	4,959,000	495.90	4,959,000	495.90
Issued during the year	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,959,000</b>	<b>495.90</b>	<b>4,959,000</b>	<b>495.90</b>	<b>4,959,000</b>	<b>495.90</b>

**(ii) Rights, preferences and restrictions attached to various classes of shares**

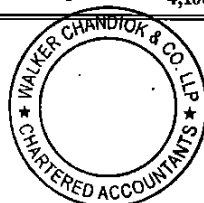
The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution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

**(iii) Details of shareholders holding more than 5% shareholding in the Company**

Name of the shareholder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Richmond Park Property Management Services Limited, holding company	2,725,750	54.96%	2,725,750	54.96%	2,725,750	54.96%
DLF Cyber City Developer Limited (to whom the Company is an associate) and its nominees	2,227,502	44.92%	2,227,502	44.92%	2,227,502	44.92%

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

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
<b>14.2 Preference share capital</b>						
<b>(a) Authorised preference share capital</b>						
12% non cumulative redeemable preference shares of ₹ 100 each	100	0.10	100	0.10	100	0.10
9% non cumulative redeemable preference shares of ₹ 100 each	4000	4.00	4000	4.00	4000	4.00
	<b>4,100</b>	<b>4.10</b>	<b>4,100</b>	<b>4.10</b>	<b>4,100</b>	<b>4.10</b>
<b>(b) Issued, subscribed and paid up</b>						
12% non cumulative redeemable preference shares of ₹ 100 each	-	-	100	0.10	100	0.10
9% non cumulative redeemable preference shares of ₹ 100 each	-	-	4000	4.00	4000	4.00
	-	-	<b>4,100</b>	<b>4.10</b>	<b>4,100</b>	<b>4.10</b>



**DLP Emporio Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

**(i) Reconciliation of number of preference shares outstanding at the beginning and at the end of the year**

At the beginning of the year	4,100	4.10	4,100	4.10	4,100	4.10
Redeemed during the year	(4,100)	(4.10)	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>4,100</b>	<b>4.10</b>	<b>4,100</b>	<b>4.10</b>

**(ii) Rights, preferences and restrictions attached to various classes of shares**

**12% Non cumulative redeemable preference shares of ₹ 100 each**

The preference shares shall carry a fixed non-cumulative dividend of 12% p.a. and shall be redeemable at par on or before 20 years from the date of allotment (i.e. 12 December 2002) but not later than 11 December 2022. These preference shares were redeemed on 26 August 2016.

**9% Non cumulative redeemable preference shares of ₹ 100 each**

The preference shares shall carry a fixed non-cumulative dividend of 9% p.a. and shall be redeemable at par on or before 20 years from the date of allotment (i.e. 30 January 2004) but not later than 29 January 2024. These preference shares were redeemed on 26 August 2016.

**(iii) Details of shareholders holding more than 5% shareholding in the Company**

Name of the shareholder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
<b>12% Non cumulative redeemable preference shares</b>						
Kirtimaan Builders Limited	-	-	100	100%	100	100%
<b>9% Non Cumulative redeemable preference shares</b>						
Kirtimaan Builders Limited	-	-	4,000	100%	4,000	100%

**15 Other equity**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Capital Redemption Reserve	4.10	-	-
Securities Premium Reserve	4,455.00	4,455.00	4,455.00
Retained Earnings	40,005.06	33,455.68	27,441.72
Debenture redemption reserve	5,005.70	3,257.30	1,504.11
Equity Instruments through Other Comprehensive income	7.20	4.24	6.49
	<b>49,477.06</b>	<b>41,172.22</b>	<b>33,407.32</b>

**Nature and purpose of other reserves**

**Capital redemption reserve**

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

**Securities premium reserve**

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

**Debenture redemption reserve**

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

**Retained earnings**

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

**Other comprehensive income**

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

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**DLF Emporio Limited**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>16 Borrowings - non current</b>			
Secured			
Non convertible debentures	51,193.77	50,993.04	50,814.11
	<u>51,193.77</u>	<u>50,993.04</u>	<u>50,814.11</u>

**16.1 Repayment terms and security disclosure for the outstanding long term borrowings (excluding current maturities) as on 31 March 2017 :**
**Listed, Secured, Redeemable, Non Convertible Debentures of ₹ 10 lakhs each referred above to the extent of :-**

- (i) ₹ 51,193.77 lakhs are secured by way of first pari passu charge on the immovable property situated at New Delhi, Coupon rate of these debentures is 10.90%. The final redemption date is 21 November 2021 and date of redemption (based on early redemption date) is latest by 21 November 2019. Pledge over the shareholding of the issuer company along with charge over debt service reserve account in favour of debenture trustees.
- (ii) Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- (iii) Pledge over the shareholding of Company
- (iv) Refer note 8 for fixed deposits pledged with debenture trustees.

**16.2 Repayment terms and security disclosure for the outstanding long term borrowings (excluding current maturities) as on 31 March 2016 :**
**Listed, Secured, Redeemable, Non Convertible Debentures of ₹ 10 lakhs each referred above to the extent of :-**

- (i) ₹ 50,993.04 lakhs are secured by way of first pari passu charge on the immovable property situated at New Delhi, Coupon rate of these debentures is 10.90%. The final redemption date is 21 November 2021 and date of redemption (based on early redemption date) is latest by 21 November 2019. Pledge over the shareholding of the issuer company along with charge over debt service reserve account in favour of debenture trustees.
- (ii) Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- (iii) Pledge over the shareholding of Company.
- (iv) Refer note 8 for fixed deposits pledged with debenture trustees.

**16.3 Repayment terms and security disclosure for the outstanding long term borrowings (excluding current maturities) as on 1 April 2015 :**
**Listed, Secured, Redeemable, Non Convertible Debentures of ₹ 10 lakhs each referred above to the extent of :-**

- (i) ₹ 50,814.11 lakhs are secured by way of first pari passu charge on the immovable property situated at New Delhi, Coupon rate of these debentures is 10.90%. The final redemption date is 21 November 2021 and date of redemption (based on early redemption date) is latest by 21 November 2019. Pledge over the shareholding of the issuer company along with charge over debt service reserve account in favour of debenture trustees.
- (ii) Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- (iii) Pledge over the shareholding of Company.
- (iv) Refer note 8 for fixed deposits pledged with debenture trustees.

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>17 Other financial liabilities - non-current</b>			
Security deposit from tenants	2,823.07	3,889.36	4,160.30
	<u>2,823.07</u>	<u>3,889.36</u>	<u>4,160.30</u>
<b>18 Deferred tax liabilities (net)</b>			
Deferred tax liabilities arising on account of:			
Deduction claimed under section 24(b) of the Income tax Act, 1961	2,697.67	2,809.31	2,869.08
Impact on financial liability at amortised cost	38.73	39.46	52.00
Impact on financial assets at FVOCI	2.11	1.23	1.90
Impact on financial assets at amortised cost	0.13	-	-
	<u>2,738.64</u>	<u>2,850.00</u>	<u>2,922.98</u>
Deferred tax assets arising on account of:			
Impact on financial assets at amortised cost	-	(8.44)	(7.55)
	<u>-</u>	<u>(8.44)</u>	<u>(7.55)</u>
Minimum alternate tax credit	-	(1,053.36)	(2,137.09)
	<u>2,738.64</u>	<u>1,789.20</u>	<u>778.34</u>

**Movement in deferred tax assets during year ended 31 March 2017 and 31 March 2016**

Particulars	31 March 2016	Recognised in profit and loss	Recognised in other comprehensive income	31 March 2017
<b>Assets</b>				
Investment property	2,809.31	(111.64)	-	2,697.67
Loans	(8.44)	8.57	-	0.13
Investments	1.23	-	0.89	2.11
<b>Liabilities</b>				
Other financial liabilities	39.46	(0.74)	-	38.73
	<u>2,841.56</u>	<u>(103.80)</u>	<u>0.89</u>	<u>2,738.64</u>
Minimum alternate tax credit	(1,053.36)	1,053.36	-	-
<b>Total</b>	<u>1,788.20</u>	<u>949.55</u>	<u>0.89</u>	<u>2,738.64</u>

Particulars	1 April 2015	Recognised in profit and loss	Recognised in other comprehensive income	31 March 2016
<b>Assets</b>				
Investment property	2,869.08	(59.78)	-	2,809.31
Loans	(7.55)	(0.89)	-	(8.44)
Investments	1.90	-	(0.68)	1.23
<b>Liabilities</b>				
Other financial liabilities	52.00	(12.53)	-	39.46
	<u>2,915.43</u>	<u>(73.20)</u>	<u>(0.68)</u>	<u>2,841.56</u>
Minimum alternate tax credit	(2,137.09)	1,083.74	-	(1,053.36)
<b>Total</b>	<u>778.34</u>	<u>1,010.54</u>	<u>(0.68)</u>	<u>1,788.20</u>

**DLF Emporio Limited**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017

*(All amounts in ₹ lakhs, unless otherwise stated)*

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>19 Other non-current liabilities</b>			
Deferred Income	916.57	394.99	715.17
	<b>916.57</b>	<b>394.99</b>	<b>715.17</b>
<b>20 Borrowings -current</b>			
12% Non cumulative redeemable preference shares (Refer note 14.2 for details)*	-	0.10	0.10
9% Non cumulative redeemable preference shares (Refer note 14.2 for details)*	-	4.00	4.00
	<b>-</b>	<b>4.10</b>	<b>4.10</b>
<b>21 Trade payables - current</b>			
Due to micro enterprises and small enterprises (refer note 34)	-	-	-
Due to others	570.00	144.49	59.89
	<b>570.00</b>	<b>144.49</b>	<b>59.89</b>
<b>22 Other financial liabilities - current</b>			
Registration charges payable	4.34	26.53	27.62
Interest accrued on borrowings	188.14	172.46	188.14
Security deposits from tenants	2,155.42	1,753.33	1,074.20
Creditors for fixed assets	-	38.61	104.18
	<b>2,347.90</b>	<b>1,990.93</b>	<b>1,394.14</b>
<b>23 Other current liabilities</b>			
Advance from customers	114.04	57.90	61.75
Statutory dues	41.34	10.77	-
Deferred income	447.16	523.23	578.31
	<b>602.54</b>	<b>591.90</b>	<b>640.06</b>

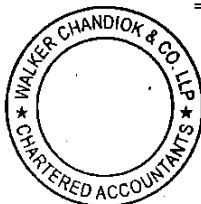
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**DLF Emporio Limited**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017  
(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>24 Revenue from operations</b>		
<b>Operating revenue</b>		
Rental income*	12,227.65	12,178.46
Service income	2,675.21	516.13
<b>Other operating revenue</b>		
Parking income	132.64	-
Income from promotion and advertisement activities	119.51	227.39
Amount forfeited on properties	19.02	39.91
	<u>15,174.03</u>	<u>12,961.89</u>
* This includes ₹ 521.45 lakhs (previous year ₹ 522.20 lakhs) on account of financial liability (security deposits) measured at amortised cost.		
<b>25 Other income</b>		
<b>Interest income on</b>		
Bank deposits	199.20	167.06
Loans	7,577.54	6,728.97
Financial asset measured at amortised cost	-	2.37
Others	3.62	3.60
Gain on pre settlement of financial asset	24.77	-
Unclaimed balance written back	20.17	-
Miscellaneous income	2.51	6.46
	<u>7,827.81</u>	<u>6,908.46</u>
<b>26 Finance costs</b>		
Interest expense on :		
Debentures	5,923.22	5,917.11
Preference shares	0.63	0.45
Financial liability measured at amortised cost	512.76	537.87
Delayed statutory payments	27.20	6.59
Guarantee and bank charges	0.07	0.08
	<u>6,463.88</u>	<u>6,462.10</u>
<b>27 Depreciation expense</b>		
Depreciation on property, plant and equipment and investment property	784.91	795.94
	<u>784.91</u>	<u>795.94</u>
<b>28 Other expenses</b>		
Rates and taxes	20.05	18.51
Electricity, fuel and water	993.52	521.06
Advertisement and publicity	498.58	507.18
Repair and maintenance - building	16.72	161.12
Repair and maintenance - others	119.56	-
Commission and brokerage	3.77	14.20
Facility maintenance expenses	1,383.73	-
Heating, ventilation and airconditioning	428.46	-
Legal and professional fees (refer note 28.1)	49.38	72.75
Donation for corporate social responsibility	194.00	1.00
Director's sitting fees	6.83	4.81
Director's travelling expenses	0.51	0.22
Business support charges	88.66	147.92
Staff welfare expenses	0.52	0.16
Loss on pre settlement of financial liability	10.83	20.54
Miscellaneous expenses	6.63	0.05
	<u>3,821.75</u>	<u>1,469.53</u>
<b>28.1 Payment to auditor*</b>		
As auditor		
Audit fees	9.00	8.50
Tax audit fees	0.68	0.50
Other services	2.00	1.00
Reimbursement of expenses	1.00	0.90
	<u>12.68</u>	<u>10.90</u>

\*exclusive of applicable taxes





**DLF Emporio Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017***(All amounts in ₹ lakhs, unless otherwise stated)*

	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>29 Tax expense</b>		
Current tax	3,733.23	3,448.83
Deferred tax credit	(103.80)	(73.20)
	<u>3,629.43</u>	<u>3,375.63</u>

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

Particulars	31 March 2017	31 March 2016
Accounting profit before income tax	11,931.30	11,142.78
At country's statutory income tax rate of 34.608% (31 March 2016: 34.608%)	4,129.18	3,856.29
<b>Adjustments</b>		
Tax impact of expenses which will never be allowed	730.55	781.15
Standard deduction under income from house property	(1,215.88)	(1,213.02)
Difference due to change in tax rate	-	52.17
Brought forward losses adjusted and lapsed	-	(78.70)
Others	(14.42)	(22.26)
Total adjustment	(499.75)	(480.66)
<b>Income tax expenses recognised in the books</b>	<u>3,629.43</u>	<u>3,375.63</u>

**30 Earnings per share**

Profit for the year attributable to equity shareholders	8,301.88	7,767.15
Weighted average number of equity shares outstanding (in no.s)	4,959,000	4,959,000
Nominal value of equity share (₹)	10	10
Earnings per equity share (₹)	167.41	156.63
(Basic and diluted)		



**DLF Emporio Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**

*(All amounts in ₹ lakhs, unless otherwise stated)*

**31 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) Financial assets and liabilities measured at fair value - recurring fair value measurements**

31 March 2017	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVOCI</b>				
Investment in equity shares	-	-	21.31	21.31
<b>Total</b>	-	-	21.31	21.31

31 March 2016	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVOCI</b>				
Investment in equity shares	-	-	17.46	17.46
<b>Total</b>	-	-	17.46	17.46

1 April 2015	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments at FVOCI</b>				
Investment in equity shares	-	-	20.39	20.39
<b>Total</b>	-	-	20.39	20.39

**(iii) Valuation technique used to determine fair value**

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

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

**(v) The following table presents the changes in level 3 items for the periods ended 31 March 2017 and 31 March 2016:**

Particulars	Amount
As at 1 April 2015	20.39
Loss recognised in other comprehensive income	(2.93)
As at 31 March 2016	17.46
Gain recognised in other comprehensive income	3.85
As at 31 March 2017	21.31

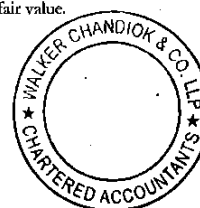
**(vi) Fair value of instruments measured at amortised cost**

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2017		31 March 2016		1 April 2015	
		Carrying	Fair value	Carrying value	Fair value	Carrying	Fair value
<b>Financial assets</b>							
Loans	Level 3	2,621.75	2,621.75	2,621.75	2,621.75	2,621.75	2,621.75
Security deposits	Level 3	126.12	126.12	144.37	154.66	142.00	150.06
Other financial assets	Level 3	1,735.39	1,735.39	1,575.86	1,575.86	1,430.63	1,430.63
<b>Total financial assets</b>		<b>4,483.26</b>	<b>4,483.26</b>	<b>4,341.98</b>	<b>4,352.27</b>	<b>4,194.38</b>	<b>4,202.44</b>
<b>Financial liabilities</b>							
Borrowings	Level 3	51,193.77	51,193.77	50,993.04	50,993.04	50,814.11	50,814.11
Other financial liabilities	Level 3	2,823.07	2,886.89	3,889.36	3,945.67	4,160.30	4,261.09
<b>Total financial liabilities</b>		<b>54,016.84</b>	<b>54,080.66</b>	<b>54,882.40</b>	<b>54,938.71</b>	<b>54,974.41</b>	<b>55,075.20</b>

The above disclosures is presented for non-current financial assets and non-current financial liabilities. The carrying values of current financial assets (trade receivables, cash and cash equivalents and other bank balances) and current financial liabilities (borrowings, trade payables and other financial liabilities) are considered to be a reasonable approximation of fair value.

The non-convertible redeemable debenture issued by the Company are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.



**32 Financial risk management**

**i) Financial instruments by category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2017			31 March 2016			1 April 2015		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>									
Investments	-	21.31	-	-	17.46	-	-	20.39	-
accrued and excluding security deposit)	-	-	66,667.83	-	-	57,653.82	-	-	48,667.40
Trade receivables	-	-	376.95	-	-	328.28	-	-	257.24
Security deposit	-	-	126.12	-	-	144.37	-	-	142.00
Cash and equivalents	-	-	1,284.97	-	-	559.74	-	-	684.13
Fixed deposit (including interest)	-	-	2,779.06	-	-	2,198.15	-	-	1,997.55
<b>Total</b>	-	21.31	71,234.93	-	17.46	60,884.36	-	20.39	51,748.32
<b>Financial liabilities</b>									
Borrowings including interest	-	-	51,381.90	-	-	51,169.60	-	-	51,006.35
Trade payable	-	-	570.00	-	-	144.49	-	-	59.89
Security deposit	-	-	4,978.48	-	-	5,642.69	-	-	5,234.51
Other financial liabilities	-	-	4.34	-	-	65.14	-	-	131.80
<b>Total</b>	-	-	56,934.72	-	-	57,021.92	-	-	56,432.55

**ii) Risk Management**

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

**A) Credit risk**

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

**a) Credit risk management**

**i) Credit risk rating**

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

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

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

Asset group	Basis of categorisation	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Financial assets	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	31 March 2017	31 March 2016	1 April 2015
A: Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other	71,256.25	60,901.82	51,768.71
B: Moderate credit risk	Financial assets	-	-	-
C: High credit risk	Trade receivables	14.02	14.02	14.02



**DLF Emporio Limited**  
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**b) Credit risk exposure**

**Provision for expected credit losses**

The Company provides for expected credit loss based on lifetime expected credit loss mechanism for loans and advances, deposits and other investments –

**31 March 2017**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investment at amortised cost	21.31	-	21.31
Cash and cash equivalents	1,284.97	-	1,284.97
Fixed deposits (including interest)	2,779.06	-	2,779.06
Loans (excluding security deposit)	66,667.83	-	66,667.83
Security deposit	126.12	-	126.12

**31 March 2016**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investment at amortised cost	17.46	-	17.46
Cash and cash equivalents	559.74	-	559.74
Fixed deposits (including interest)	2,198.15	-	2,198.15
Loans (excluding security deposit)	57,653.82	-	57,653.82
Security deposit	144.37	-	144.37

**1 April 2015**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investment at amortised cost	20.39	-	20.39
Cash and cash equivalents	684.13	-	684.13
Fixed deposits (including interest)	1,997.55	-	1,997.55
Loans (excluding security deposit)	48,667.40	-	48,667.40
Security deposit	142.00	-	142.00

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.

**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 and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

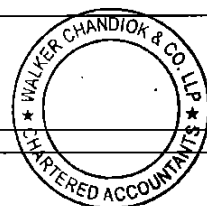
The tables below analyse the company's financial liabilities into relevant maturity companying's based on their contractual maturities for all non-derivative financial liabilities.

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

31 March 2017	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings including interest	5,722.50	62,063.63	-	67,786.13
Trade payable	570.00	-	-	570.00
Security deposits	2,298.31	2,813.29	1,345.26	6,456.86
Other financial liabilities	4.34	-	-	4.34
<b>Total</b>	<b>8,595.15</b>	<b>64,876.92</b>	<b>1,345.26</b>	<b>74,817.33</b>

31 March 2016	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings including interest	5,706.82	67,786.13	-	73,492.95
Trade payable	144.49	-	-	144.49
Security deposits	477.46	5,028.03	1,172.18	6,677.68
Other financial liabilities	65.14	-	-	65.14
<b>Total</b>	<b>6,393.91</b>	<b>72,814.16</b>	<b>1,172.18</b>	<b>80,380.26</b>

1 April 2015	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings including interest	5,753.86	73,492.95	-	79,246.81
Trade payable	59.89	-	-	59.89
Security deposits	783.22	3,939.09	1,958.65	6,680.95
Other financial liabilities	131.80	-	-	131.80
<b>Total</b>	<b>6,728.77</b>	<b>77,432.04</b>	<b>1,958.65</b>	<b>86,119.45</b>



**DLF Emporio Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017***(All amounts in ₹ lakhs, unless otherwise stated)***C) Market Risk****a) Interest rate risk****i) Liabilities**

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

**ii) Assets**

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

**b) Price risk**

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

**Sensitivity analysis**

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

Particulars	31 March 2017	31 March 2016
<b>Price sensitivity</b>		
Price increase by (5 %)- FVOCI	1.07	0.87
Price decrease by (5 %)- FVOCI	(1.07)	(0.87)

**33 Capital management****(a) Risk management**

The Company's capital management objectives are

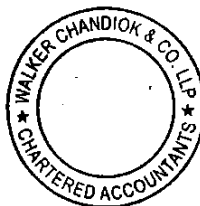
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

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	31 March 2017	31 March 2016	1 April 2015
Total borrowings	51,193.77	50,997.14	50,818.21
Less : Cash and cash equivalent	(1,284.97)	(559.74)	(684.13)
<b>Net debt</b>	<b>49,908.80</b>	<b>50,437.40</b>	<b>50,134.08</b>
Total equity	49,972.96	41,668.12	33,903.22
<b>Net debt to equity ratio</b>	<b>99.87%</b>	<b>121.05%</b>	<b>147.87%</b>

*(This space has been intentionally left blank)*



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

Particulars	31 March 2017	31 March 2016	1 April 2015
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	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	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	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	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.

**35 Segment reporting**

In line with the provisions of Ind AS 108- operating segments and basis the review of operations being done by the senior Management, the operations of the Company fall under business of leasing of real estate activities, which is considered to be the only reportable business segment.

36 CRISIL has reaffirmed its rating on the commercial mortgage backed securities ("CMBS") to CRISIL AA (SO)/(Stable) vide letter 6 March 2017 and ICRA has also reaffirmed its rating on CMBS to ICRA AA (SO) (Stable) vide letter dated 7 November 2016.

**37 Contingent liabilities**

**Claim against the company not acknowledged as debts**

Particulars	31 March 2017	31 March 2016	1 April 2015
Income tax (Assessment year 2010-11)	1,231.82	1,231.82	1,231.82
Income tax (Assessment year 2011-12)	1,285.51	1,285.51	1,285.51
Income tax (Assessment year 2012-13)	39.01	39.01	39.01
Service tax (for Financial Year 2007-08 to 2009-10)	767.07	767.07	767.07
Service tax (for Financial Year 2011-12)	60.76	60.76	60.76

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

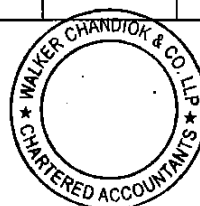
**Guarantees**

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

- 38 In respect of listed debt securities, company has maintained 100% asset cover, sufficient to discharge the principal amount at all times for the debt securities.
- 39 In the opinion of the board of directors, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provisions of all known liabilities have also been made.
- 40 All loans, guarantees and securities as disclosed in respective schedules/ notes are given for business purposes.
- 41 In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ₹194 lakhs (previous year ₹171.34 lakhs) towards CSR activities during the year ended 31 March 2017. During the current company has contributed ₹194 lakhs.
- 42 Information pursuant to clause 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Loans and advances in the nature of loans to subsidiaries / Associates/ Joint ventures/partnership firms/ others Status*	Status	Closing Balance		Maximum balance during the year	
		2017	2016	2017	2016
DLF Emporio Restaurants Limited	Fellow subsidiary	2,621.75	2,621.75	2,621.75	2,621.75
DLF Home Developers Limited	Fellow subsidiary	57,226.00	48,976.00	57,226.00	48,976.00

\*excluding interest accrued



**DLF Emporio Limited**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017

(All amounts in ₹ lakhs, unless otherwise stated)

**43 Related party disclosures**

In accordance with Ind AS-24 "Related Party Disclosures" of the Companies (Accounts) Rules 2014, the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

**a. Relationship:**

**i) Holding companies:**

- a) DLF Limited (the ultimate holding company)
- b) Richmond Park Property Management Services Limited (the immediate holding company)

**ii) Fellow subsidiary companies at any time during the year (with whom there were transactions during the year):**

- a) DLF Utilities Limited
- b) DLF Promenade Limited
- c) DLF Emporio Restaurants Limited
- d) DLF Home Developers Limited
- e) DLF Cyber City Developers Limited
- f) Galleria Property Management Services Private Limited
- g) Lodhi Property Company Limited

**iii) Enterprises under the control of Key managerial personnel(KMP) of ultimate holding company or their relatives at any time during the year: (with whom there were transactions during the year):**

- a) DLF Brands Limited
- b) Ferragamo Retail India Private Limited
- c) Giorgio Armani India Private Limited

**b. The following transactions were carried out with related parties during the year in the ordinary course of business:**

Description	Holding companies		Fellow subsidiary companies		Associate companies / KMP	
	2017	2016	2017	2016	2017	2016
<b>Transactions during the year</b>						
<b>Repairs and maintenance paid</b>						
DLF Utilities Limited	-	-	596.68	160.01	-	-
<b>Advertisement and Publicity</b>						
DLF Utilities Limited	-	-	17.75	151.52	-	-
DLF Emporio Restaurants Limited	-	-	24.85	14.20	-	-
<b>Business support charges</b>						
DLF Utilities Limited	-	-	88.22	147.30	-	-
Lodhi Property Company Limited	-	-	3.54	-	-	-
<b>Miscellaneous expenses</b>						
DLF Emporio Restaurants Limited	-	-	-	0.11	-	-
<b>Expenses recovered</b>						
DLF Emporio Restaurants Limited	-	-	18.08	18.38	-	-
DLF Brands Limited	-	-	-	-	0.89	1.51
Rod Retail Private Limited	-	-	-	-	0.70	-
Ferragamo Retail India Private Limited	-	-	-	-	3.73	3.60
<b>Interest income</b>						
DLF Emporio Restaurants Limited	-	-	353.94	353.94	-	-
DLF Home Developers Limited	-	-	7,223.61	6,375.03	-	-
<b>Rental income</b>						
DLF Emporio Restaurants Limited	-	-	197.34	196.87	-	-
DLF Brands Limited	-	-	-	-	105.02	138.85
Rod Retail Private Limited	-	-	-	-	42.20	-
Ferragamo Retail India Private Limited	-	-	-	-	379.02	379.12
<b>Income on financial asset measured at amortised cost</b>						
DLF Utilities Limited	-	-	-	2.37	-	-
<b>Gain on pre settlement of financial asset</b>						
DLF Utilities Limited	-	-	24.77	-	-	-
<b>Finance expense</b>						
DLF Emporio Restaurants Limited	-	-	42.82	38.03	-	-
DLF Brands Limited	-	-	-	-	3.07	4.65
Ferragamo Retail India Private Limited	-	-	-	-	19.86	17.91
<b>CAM income</b>						
DLF Emporio Restaurants Limited	-	-	364.50	113.29	-	-
Rod Retail Private Limited	-	-	-	-	6.43	-
DLF Brands Limited	-	-	-	-	20.77	5.00
Ferragamo Retail India Private Limited	-	-	-	-	64.16	15.64
DLF Utilities Limited	-	-	299.14	312.35	-	-
<b>Electricity expenses</b>						
DLF Utilities Limited	-	-	79.84	143.42	-	-
<b>Business support income</b>						
DLF Utilities Limited	-	-	-	74.18	-	-
<b>Unsecured loans (given)</b>						
DLF Home Developers Limited	-	-	8,250.00	4,725.00	-	-
<b>Rental expense</b>						
DLF Utilities	-	-	-	4.93	-	-
<b>CAM expense</b>						
DLF Utilities	-	-	1,372.42	-	-	-



DLF Emporio Limited  
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017  
 (All amounts in ₹ lakhs, unless otherwise stated)

Description	Holding companies			Fellow subsidiary companies			Associate companies / KMP		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
<b>Balances at year end</b>									
<b>Security deposits given</b>									
DLF Utilities Limited	-	-	-	-	18.26	15.88	-	-	-
<b>Prepaid expenses</b>									
DLF Utilities Limited	-	-	-	-	61.96	66.89	-	-	-
<b>Security deposits accepted</b>									
DLF Emporio Restaurants Limited	-	-	-	342.13	303.01	264.98	-	-	-
DLF Brands Limited	-	-	-	-	-	-	60.22	64.31	59.66
Ferragamo Retail India Private Limited	-	-	-	-	-	-	193.24	173.38	155.47
<b>Deferred income</b>									
DLF Emporio Restaurants Limited	-	-	-	38.61	72.25	109.79	-	-	-
DLF Brands Limited	-	-	-	-	-	-	3.85	-	4.14
Ferragamo Retail India Private Limited	-	-	-	-	-	-	7.21	25.97	44.82
<b>Unsecured loans (given)</b>									
DLF Emporio Restaurants Limited	-	-	-	2,621.75	2,621.75	2,621.75	-	-	-
DLF Home Developers Limited	-	-	-	57,226.00	48,976.00	44,251.00	-	-	-
<b>Trade receivable</b>									
DLF Emporio Restaurants Limited	-	-	-	38.85	31.15	20.48	-	-	-
DLF Brands Limited	-	-	-	-	-	-	17.83	65.45	11.93
Red Retail Private Limited	-	-	-	-	-	-	26.19	-	-
Giorgio Armani India Private Limited	-	-	-	-	-	-	0.46	0.46	0.46
Ferragamo Retail India Private Limited	-	-	-	-	-	-	1.62	1.26	1.27
DLF Utilities Limited	-	-	-	-	0.75	-	-	-	-
<b>Trade payable</b>									
DLF Utilities Limited	-	-	-	313.84	-	4.89	-	-	-
DLF Emporio Restaurants Limited	-	-	-	10.80	3.54	-	-	-	-
<b>Expenses payable</b>									
DLF Universal Limited	-	-	-	-	-	2.19	-	-	-
<b>Investments</b>									
DLF Utilities Limited	-	-	-	21.31	17.46	20.39	-	-	-
<b>Interest accrued but not due (receivable)</b>									
DLF Emporio Restaurants Limited	-	-	-	318.54	318.54	318.54	-	-	-
DLF Home Developers Limited	-	-	-	6,501.25	5,737.53	1,176.11	-	-	-
<b>Share Capital</b>									
Galleria Property Management Services Private Limited	-	-	-	0.33	0.33	0.33	-	-	-
DLF Cyber City Developers Limited	-	-	-	222.75	222.75	222.75	-	-	-
Richardson Park Property Management Services Limited	272.58	272.58	272.58	-	-	-	-	-	-
DLF Assets Private Limited	-	-	-	0.05	0.14	-	-	-	-

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**DLF Emporio Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017***(All amounts in ₹ lakhs, unless otherwise stated)***44 First time adoption of Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A Ind AS optional exemptions****1 Deemed cost for property, plant and equipment, investment property**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

**2 Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

**B Ind AS mandatory exceptions****1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP

- Investment in equity instruments carried at FVTPL or FVOCI
- Impairment of financial assets based on expected credit loss model.

**C Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**1 Reconciliation of total equity as at 31 March 2016 and 1 April 2015**

	Notes to first time adoption	31 March 2016	1 April 2015
<b>Total equity (shareholder's funds) as per previous GAAP</b>		41,471.23	33,743.49
<b>Adjustments:</b>			
Impact of effective interest rate adjustment on borrowings	Note- 1	135.35	70.58
Impact of financial instruments at amortised cost	Note- 2	91.98	130.75
Impact of fair valuation of investment through FVOCI	Note- 3	5.46	8.39
Reclassification of preference shares to borrowings	Note- 4	(4.10)	(4.10)
Finance cost on financial liability measured at amortised cost	Note- 5	0.45	0.45
Deferred tax impact on above adjustments	Note- 6	(32.25)	(46.34)
<b>Total adjustments</b>		196.89	159.73
<b>Total equity as per Ind AS</b>		41,668.12	33,903.22

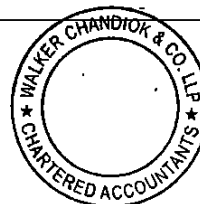
**2 Reconciliation of total comprehensive income for the year ended 31 March 2016**

	Notes to first time adoption	31 March 2016
<b>Profit after tax as per previous GAAP</b>		7,728.20
<b>Adjustments:</b>		
Impact of effective interest rate adjustment on borrowings	Note- 1	64.76
Finance cost on financial liability measured at amortised cost	Note- 2 & 5	(39.22)
Impact of fair valuation of investment	Note- 3	(2.93)
Deferred tax impact on above adjustments	Note- 6	14.09
<b>Total adjustments</b>		36.70
<b>Total comprehensive income for the year ended 31 March 2016</b>		7,764.90

**3 Reconciliation of statement of cash flows for the year ended 31 March 2016**

Particulars	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	7,948.11	-	7,948.11
Net cash flow from investing activities	(2,318.20)	-	(2,318.20)
Net cash used in financing activities	(5,754.30)	-	(5,754.30)
<b>Net increase/decrease in cash and cash equivalents</b>	<b>(124.39)</b>	<b>-</b>	<b>(124.39)</b>
Cash and cash equivalents at the 1 April 2015	684.13	-	684.13
<b>Cash and cash equivalents at the 31 March 2016</b>	<b>559.74</b>	<b>-</b>	<b>559.74</b>

\* the impact is on account of reclassification as per Ind AS requirements.



**DLF Emporio Limited**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017

(All amounts in ₹ lakhs, unless otherwise stated)

4 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Indian GAAP and as per Ind AS as at 31 March 2016 and 1 April 2015 is as follows:

Particulars	As at 31 March 2016			As at 1 April 2015		
	Previous GAAP*	Adjustment	Ind As	Previous GAAP*	Adjustment	Ind As
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipment	0.16	(0.00)	0.16	10.10	-	10.10
Investment property	39,273.67	(0.00)	39,273.67	40,098.03	0.00	40,098.03
<b>Financial assets</b>						
Investments	12.00	5.46	17.46	12.00	8.39	20.39
Loans	2,852.87	(86.75)	2,766.12	2,852.87	(89.12)	2,763.75
Other financial assets	1,575.86	-	1,575.86	1,430.63	0.00	1,430.63
Non-current tax assets (net)	1,126.70	-	1,126.70	476.68	-	476.68
Other non-current assets	1,128.58	(1,071.54)	57.04	1,377.08	(1,310.30)	66.77
<b>Current assets</b>						
<b>Financial assets</b>						
Trade receivables	328.28	-	328.28	257.24	-	257.24
Cash and cash equivalents	559.74	-	559.74	684.13	-	684.13
Other bank balances	622.29	-	622.29	566.92	-	566.92
Loans	55,032.07	-	55,032.07	46,045.65	-	46,045.65
Other current assets	343.85	(238.11)	105.74	287.15	(238.11)	49.04
	<b>102,856.07</b>	<b>(1,390.94)</b>	<b>101,465.13</b>	<b>94,098.46</b>	<b>(1,629.14)</b>	<b>92,469.33</b>
<b>Equity</b>						
Equity share capital	495.90	-	495.90	495.90	-	495.90
Other equity	40,971.22	201.00	41,172.22	33,243.49	163.83	33,407.32
<b>Non-current liabilities</b>						
<b>Financial Liabilities</b>						
Borrowings	52,500.00	(1,506.96)	50,993.04	52,500.00	(1,685.89)	50,814.11
Other financial liabilities	6,200.22	(2,310.86)	3,889.36	5,897.73	(1,737.43)	4,160.30
Deferred tax liabilities (net)	1,755.95	32.25	1,788.20	731.99	46.34	778.34
Other non-current liabilities	-	394.99	394.99	-	715.17	715.17
<b>Current liabilities</b>						
<b>Financial Liabilities</b>						
Borrowing	4.10	-	4.10	4.10	-	4.10
Trade payables	144.49	-	144.49	59.89	-	59.89
Other financial liabilities	715.07	1,275.85	1,990.93	1,103.15	290.98	1,394.14
Other current liabilities	68.67	523.23	591.90	61.75	578.31	640.06
Short-term provisions	0.45	(0.45)	-	0.45	(0.45)	-
	<b>102,856.07</b>	<b>(1,390.94)</b>	<b>101,465.13</b>	<b>94,098.46</b>	<b>(1,629.14)</b>	<b>92,469.33</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

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**DLF Emporio Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2017***(All amounts in ₹ lakhs, unless otherwise stated)***5 Reconciliation of total comprehensive income for the year ended 31 March 2016**

Particulars	Previous GAAP*	Effect of transition to Ind AS	Ind AS
<b>Revenue</b>			
Revenue from operations	12,439.69	522.20	12,961.89
Other income	6,906.09	2.37	6,908.46
<b>Total</b>	<b>19,345.78</b>	<b>524.57</b>	<b>19,870.35</b>
<b>Expenses</b>			
Finance costs	5,988.54	473.56	6,462.10
Depreciation	795.94	-	795.94
Other expenses	1,444.05	25.48	1,469.53
<b>Total</b>	<b>8,228.53</b>	<b>499.04</b>	<b>8,727.57</b>
<b>Profit before tax</b>	<b>11,117.25</b>	<b>25.53</b>	<b>11,142.78</b>
Tax expense	3,389.05	(13.42)	3,375.63
<b>Net profit for the year</b>	<b>7,728.20</b>	<b>38.95</b>	<b>7,767.15</b>
<b>Other comprehensive income</b>			
A(i) Items that will not be reclassified to profit or loss	-	(2.93)	(2.93)
(ii) Income tax relating items that will not be reclassified to profit	-	0.68	0.68
<b>Total</b>	<b>-</b>	<b>(2.25)</b>	<b>(2.25)</b>
<b>Total comprehensive income for the year</b>	<b>7,728.20</b>	<b>36.70</b>	<b>7,764.90</b>

\* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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**Note - 1****Effective interest rate adjustment on borrowings**

Under Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the finance cost by applying the effective interest method. Under previous GAAP, these transaction costs were charged to statement of profit and loss on straight line basis over the period of loan.

**Note - 2****A Financial liabilities measured at amortised cost**

Under previous GAAP, financial liabilities were initially recognised at transaction price. Subsequently, any finance costs were recognised based on contractual terms. Under Ind AS, such financial instruments are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects profit and loss unless it qualifies for recognition as some other type of liability.

**B Financial asset measured at amortised cost**

Under previous GAAP, financial assets and security deposits paid were initially recognised at transaction price. Subsequently, any finance income were recognised based on contractual terms. Under Ind AS, such financial instruments are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects profit and loss unless it qualifies for recognition as some other type of asset.

**Note - 3****Financial asset measured at FVOCI**

Under previous GAAP, investments in long-term equity instrument are shown at cost and tested for other than temporary diminution. Under Ind AS, such investments are evaluated under Ind AS 109 which requires the Company to account for such instruments at fair value through other comprehensive income (FVOCI) (except for investment in subsidiaries, associates and joint venture).

**Note - 4****Reclassification of preference shares to borrowings**

Under previous GAAP, preference share capital was a part of share capital. Under Ind AS, a contractual obligation to deliver cash or another financial asset by one entity to another is recognised as a financial liability hence the instrument has been carried at amortised cost and hence this instrument has been classified to borrowings.

**Note - 5****Proposed dividend**

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

**Note - 6****Deferred tax**

Retained earnings has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax.

**Note - 7****Retained earnings**

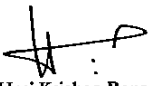
Retained earnings as at 1 April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

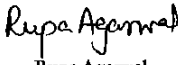
**Note - 8****Investment property**


Under the previous GAAP, investment properties were presented as part of property, plant and equipment. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

**Note - 9****Other comprehensive income**


Items of income and expense that are not recognised in profit and loss are shown in the statement of profit and loss as 'other comprehensive income' includes fair valuation of investment. The concept of other comprehensive income did not exist under previous GAAP.

  
Hari Krishan Bansal  
Chief Financial Officer

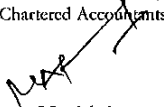
  
Rupa Agarwal  
Company Secretary  
M. No. A23376

For and on behalf of the Board of Directors  
  
Vinay Madhukar  
Director  
DIN - 03453167

  
Anupam Sharma  
Director and Manager  
DIN - 05234238

  
For Walker Chandio & Co, LLP  
(formerly Walker, Chandio & Co)  
Chartered Accountants



  
per Manish Agrawal  
Partner