



# **21<sup>st</sup> ANNUAL REPORT**

**2019-20**

## **DLF PROMENADE LIMITED**

**CIN: U74920HR1999PLC034138**

**REGD. OFFICE: SHOPPING MALL PHASE-1  
DLF CITY, GURUGRAM,  
HARYANA-122002.**

**DLF PROMENADE LIMITED**  
(CIN: U74920HR1999PLC034138)



Company Information	
<p><b><u>Board of Directors</u></b></p> <p>Ms. Pushpa Bector Director (DIN – 02917318)</p> <p>Mr. Giri Raj Shah Director (DIN: 03436135) (appointed w.e.f. 23.07.2019)</p> <p>Mr. Siddhartha Natu Director &amp; Manager (DIN: 08530713) (appointed w.e.f. 1.11.2019)</p> <p>Mr. R.P. Punjani Director (DIN -00050645) (resigned w.e.f. 2.11.2019)</p> <p>Mr. Surinder Singh Chawla Independent Director (DIN – 00102064) (resigned w.e.f. 24.07.2019)</p> <p>Mr. Santosh Kumar Garg Independent Director (DIN – 01153590) (resigned w.e.f. 24.07.2019)</p> <p>Mr. Raj Kumar Jain Nominee Director (DIN - 00026544) (resigned w.e.f. 18.07.2019)</p> <p><b><u>Company Secretary</u></b></p> <p>Mr. Manoj Kumar Dua (Resigned w.e.f. 30.01.2020)</p> <p><b><u>Chief Financial Officer</u></b></p> <p>Mr. Gurpreet Singh</p>	<p><b><u>Reference Information</u></b></p> <p><b>Registered Office Address</b></p> <p>Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122002.</p> <p><b>Registrar &amp; Share Transfer Agent</b></p> <p><u>For Debentures:</u></p> <p>KFin Technologies Private Limited Karvy Selenium Tower B, Plot no. 31&amp;32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032.</p> <p><u>For Equity Shares:</u></p> <p>Alankit Assignments Limited 'Alankit House' 2E/21, Jhandewalan Extens., New Delhi – 110055.</p> <p><b>Debenture Trustee</b></p> <p>Axis Trustee Service Limited 2<sup>nd</sup> Floor, E, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg Worli, Mumbai – 400 025.</p> <p><b>Statutory Auditors</b></p> <p>S.R. Batliboi &amp; Co. LLP Golf view, Corporate Tower-B, Sector-42, Sector Road, Gurugram-122002, Haryana.</p>

# DLF PROMENADE LIMITED

Regd. Office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122 002  
(CIN - U74920HR1999PLC034138) Website: [www.dlfpromenade.com](http://www.dlfpromenade.com)  
Tel No.: 0124-4778121, Email: [dlfpromenade@dlf.in](mailto:dlfpromenade@dlf.in)

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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 21<sup>ST</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON WEDNESDAY, 26<sup>TH</sup> AUGUST 2020 AT 11:00 A.M. AT 11<sup>TH</sup> FLOOR, GATEWAY TOWER, DLF CITY, PHASE-III, GURUGRAM-122002, HARYANA, TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2020 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Pushpa Bector (**DIN - 02917318**), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of 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. Giri Raj Shah, Director (**DIN-03436135**), who was appointed as an additional Director w.e.f. 23<sup>rd</sup> July 2019 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act read with the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying its intention to propose Mr. Giri Raj Shah 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."

4. 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. Siddhartha Natu, Director (**DIN-08530713**), who was appointed as an additional Director w.e.f. 1<sup>st</sup> November 2019 and



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who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act read with the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying its intention to propose Mr. Siddhartha Natu 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."

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

**Date: 01.06.2020  
Place: Gurugram**

  
**Pushpa Bector  
Director  
DIN: 02917318**

*L N P*



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## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HERSELF/HIMSELF IN ACCORDANCE WITH THE COMPANIES ACT, 2013 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED, STAMPED AND SIGNED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING. BLANK PROXY FORM IS ANNEXED.**
2. The requirement to place the matter relating to ratification of appointment of Auditors by the members at every Annual General Meeting has been done away by the Ministry of Corporate Affairs, New Delhi vide its notification dated 7<sup>th</sup> May 2018. Accordingly, no resolution is proposed for ratification of appointment of S. R. Batliboi & Co. LLP, Chartered Accountants, Statutory auditors of the Company, who were appointed in the 18<sup>th</sup> Annual General Meeting ('AGM') of the Company held on 28<sup>th</sup> September 2017.
3. The details of Director seeking re-appointment, in terms of the Companies Act, 2013 (including Secretarial Standard-2) is annexed hereto and forms part of this Notice.
4. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special business setting out the material facts being Item Nos. 3 and 4 of the notice is annexed hereto and forms part of the notice.
5. Relevant documents and statutory registers are open for inspection at the Registered Office of the Company at Shopping Mall, Phase-I, DLF City, Gurugram-122002 on all working days up to the date of the AGM and shall also be available for inspection at the AGM.
6. Corporate member intending to send its authorised representative to attend the meeting are requested to send a certified copy of Board Resolution authorizing its representative to attend and vote on its behalf at the meeting.
7. The facility for voting through polling paper in terms of Section 109 of the Companies Act, 2013 and the rules made thereunder shall be made available at the AGM.

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

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## STATEMENT

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

### Item No. 3

The Members may kindly note that pursuant to the provisions of Section 161 of the Companies Act, 2013 and the rules made thereunder ('the Act') read with Articles of Association of the Company, Mr. Giri Raj Shah, Director (**DIN-03436135**) was appointed as additional Director of the Company w.e.f. 23<sup>rd</sup> July 2019. Accordingly, he will hold office of Director up to the date of ensuing Annual General Meeting ('AGM').

Mr. Giri Raj Shah has given a declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Company has received a notice in writing from a member proposing the candidature of Mr. Giri Raj Shah, Director, for the office of Director of the Company and the Board of Directors in terms of the provisions of Section 160 of the Companies Act, 2013 has recommended his appointment as Director of the Company, liable to retire by rotation.

### Information about the appointee: Mr. Giri Raj Shah

Age:	62 Years
Qualifications:	Graduate in Architecture from Sir J.J. College of Architecture, Mumbai.
Experience:	Mr. Shah started his career with Consulting Engineering Services Pvt. Ltd. (CES) in the Year 1982 and was associated with them till 1992. During his tenure with CES, he worked extensively on projects based in Muscat, Sultanate of Oman, and was posted there between 1984 to 1991. Between 1992 and 1995 he worked with DLF Limited and was associated with their premium residential projects – Beverly Parks 1 & 2 and development of DLF Phase 5. He rejoined DLF in 2004 and has been associated in the development of all the Retail and Commercial complexes ever since.
Terms and Conditions of Appointment/ Re-appointment	Director liable to retire by rotation.



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Details of the remuneration last drawn:	Nil
Date of first appointment on the Board	23.07.2019 (Director)
Shareholding in the Company	NIL
Relationship with other Directors and other KMPs	NIL
Number of Board Meetings attended during the year (Financial Year 2019-20)	4 (Four)
Other Directorship(s)	1. DLF City Centre Limited – Director & Manager 2. DLF Emporio Limited – Director 3. DLF Info Park (Pune) Limited – Director
Committee Positions in other Companies	<b><u>Corporate Social Responsibility</u></b>  DLF Emporio Limited - Member

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

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

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except Mr. Giri Raj Shah is concerned or interested, financially or otherwise in the resolution set out at Item No. 3 of the notice.

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

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## Item No. 4

The Members may kindly note that pursuant to the provisions of Section 161 of the Companies Act, 2013 and the rules made thereunder ('the Act') read with Articles of Association of the Company, Mr. Siddhartha Natu, Manager (**DIN-08530713**), was appointed as an additional director of the Company w.e.f. 1<sup>st</sup> November 2019. Accordingly, he will hold office of Director up to the date of ensuing Annual General Meeting ('AGM').

Mr. Siddhartha Natu has given a declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

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

### **Information about the appointee: Mr. Siddhartha Natu**

<b>Age:</b>	45 years
<b>Qualifications:</b>	B.Sc. from University of Pune and Certification in Financial Management from Cornell University (eCornell).
<b>Experience:</b>	Mr. Natu has more than 21 years of experience in hospitality industry. Prior to joining DLF group, he has worked with Tata group. His last assignment was as Resident Manager of the Taj Mahal Palace, Mumbai.
<b>Terms and Conditions of Appointment/ Re-appointment</b>	Director liable to retire by rotation.
<b>Details of the remuneration last drawn:</b>	Nil
<b>Date of first appointment on the Board</b>	01.11.2019 (Director)
<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 (FY 2019-20)</b>	3 (Three)

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Other Directorship(s)	NIL
Committee Positions in other Public Companies	NIL

Keeping in view his vast qualification, experience, expertise and knowledge, it will be in the interest of the Company Mr. Siddhartha Natu, Manager, be appointed as Director, liable to retire by rotation.

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

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except Mr. Siddhartha Natu, Director & Manager, is concerned or interested, financially or otherwise in the resolution set out at the Item No. 4 of the notice.

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

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

Date: 01.06.2020  
Place: Gurugram

  
Pushpa Bector  
Director  
DIN: 02917318

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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: U74920HR1999PLC034138

Name of the Company: DLF Promenade Limited

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

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

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

1. Name:.....

Address :

E-mail Id:

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

2. Name:.....

Address:

E-mail Id:

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

3. Name:.....

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on **Wednesday, 26<sup>th</sup> August 2020 at 11:00 A.M. at 11<sup>th</sup> Floor, Gateway Tower, DLF City, Phase-III, Gurugram-122002, Haryana** and at any adjournment thereof in respect of such resolutions as are indicated below:

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Resl. No.	Resolutions	For #	Against #	Abstained #
1.	Adoption of Audited Financial Statements as at 31 <sup>st</sup> March 2020 together with Reports of Board of Directors and Auditors thereon.			
2.	Appoint a Director in place of Ms. Pushpa Bector ( <b>DIN-02917318</b> ), who retires by rotation and being eligible, offers herself for re-appointment.			
3.	Appointment of Mr. Giri Raj Shah ( <b>DIN-03436135</b> ), as the Director of Company, liable to retire by rotation.			
4.	Appointment of Mr. Siddhartha Natu, Manager ( <b>DIN-08530713</b> ), as the Director of Company, liable to retire by rotation.			

Signed this ..... day of..... 2020

Signature of Member

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp of  
Appropriate  
value

## Notes:

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

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## ATTENDANCE SLIP

**21<sup>st</sup> Annual General Meeting – Wednesday, 26<sup>th</sup> August 2020**

1.	Full Name and Registered Address of the Member (in BLOCK LETTERS)	
2.	Full Name of the Proxy/Authorised Representative (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 21<sup>st</sup> Annual General Meeting of the Company held on **Wednesday, 26<sup>th</sup> August 2020 at 11:00 A.M. at 11<sup>th</sup> Floor, Gateway Tower, DLF City, Phase-III, Gurugram-122002, Haryana** and at any adjournment(s) thereof.

\_\_\_\_\_  
Member's / Proxy's Signature

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

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



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

<b>Name of Director</b>	Ms. Pushpa Bector
<b>Age</b>	54 years
<b>Qualifications</b>	Graduate from Oberoi Centre for Learning and Development.
<b>Experience</b>	<p>Ms. Bector has an experience of around 14 years in DLF out of a total experience of more than 30 years. Prior to joining the DLF Group, she had also worked in various capacities in established organisations like Oberois' and Jubilant FoodWorks Limited. Currently, she is the Chairperson of Retail - PHD Chamber of Commerce and member of CII-National Committee of Retail. She is a known name in retail and mall business and has received many awards and accolades including</p> <ul style="list-style-type: none"> <li>• Most Admired Shopping Centre Professional of the year - CMO Asia 2019</li> <li>• CXO of the year - 11th REALTY+ Excellence Awards 2019, North</li> <li>• Most admired shopping centre professional of the year by India Shopping Centre Forum 2019</li> </ul>
<b>Terms and Conditions:</b>	Director liable to retire by rotation.
<b>Details of remuneration sought to be paid:</b>	N.A.
<b>Date of first appointment on the Board</b>	30.12.2009
<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 (2019-20)</b>	7 (Seven)
<b>Other Directorship(s)</b>	<ol style="list-style-type: none"> <li>1. DLF City Centre Limited;</li> <li>2. DLF Cyber City Developers Limited;</li> <li>3. Nambi Buildwell Limited;</li> <li>4. DLF Power &amp; Services Limited; and</li> <li>5. Paliwal Real Estate Limited;</li> </ol>
<b>Committee Positions in other Public Companies</b>	NIL

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## DIRECTORS' REPORT

### To the Members,

Your Directors have pleasure in presenting their 21<sup>st</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 2020.

### Financial Results

	(₹ in Lakh)	
Particulars	2019-20	2018-19
Total Income	16,090.04	15,428.93
Total Expenses	11,516.07	12,260.50
Profit before exceptional items and tax	4,573.97	3,168.43
Exceptional items	-	-
Profit/(Loss) before tax	4,573.97	3,168.43
Less: Tax Expenses		
Current tax	804.66	689.52
Deferred tax (including creation of MAT credit entitlement)	319.93	108.43
Net Profit	3,449.38	2,370.48

### Review of Operations

During the FY 2019-20, total income has increased from ₹ 15,428.93 lakh (previous year) to ₹ 16,090.04 lakh (current year). The expenses of the Company have decreased from ₹ 12,260.50 lakh (previous year) to ₹ 11,516.07 lakh (current year). The Net Profit of the Company stood at ₹ 3,449.38 lakh (current year) against ₹ 2,370.48 lakh (previous year). The basic & diluted EPS is ₹ 52.89/- (current year) as compared to ₹ 36.35/- (previous year) in previous year.

### About DLF Promenade - Delhi's Shopping Capital

"DLF Promenade", located at the Nelson Mandela road in the heart of Vasant Kunj, New Delhi, is a renowned mall for the trend-conscious discerning customers of Delhi and NCR. By the virtue of its offerings, DLF Promenade has earned the distinction of being the city's complete shopping destination. Spread over 4.6 lakhs of square foot area, DLF Promenade caters to customers who are looking for a quality shopping experience coupled with a chic ambience.

DLF Promenade not only boasts of some of the best brands in the fashion retail industry, but it also offers some exclusive value additions. With its strong global and ethnic fashion labels, Delhi's only 7-screen PVR ICON Cinemas, a



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strong mix of F&B brands; the mall is becoming a wonderful communication platform for reaching out to different target markets with culturally, socially relevant propositions. Housed in the mall are Kiddyland - the largest outdoor play area for kids, and The Hub - a one-of-a-kind open-air lifestyle space comprising cafés and dancing fountain on the likes of Bellagio.

With the rise of a millennial spender and a shift in their shopping habits, DLF Promenade has adapted into creating a shopping destination with a multi-purpose appeal. The mall has constantly reinvented the whole aura of the place to keep pace with the ever-changing tastes of consumers from all walks of life. Several accessibility features for differently abled and elderly further make the mall a truly inclusive place.

It has become the nerve centre for an all-around experience for customers coming from various parts of the city and suburb. Promenade brings the factor of novelty and innovation on the table that attracts more customers and enables earning the label which is modern and ground-breaking in its approach and reaches. From supporting causes, to engaging passive decision makers in the most intriguing ways; the mall has its own way of inviting every plausible gentry into visiting the mall.

## **Future Outlook**

The beginning of the new decade has been marked by unprecedented challenges with the COVID-19 pandemic affecting more than 213 countries, tipping the most stable systems into a tailspin. The impact of the pandemic is expected to put global economy into a severe recession.

COVID-19 and associated containment measures have placed profound stress on consumers, retailers and retail supply chains as well. The retail sector will have to adapt to short- and long-term changes in consumer behavior while malls will have to implement new protocols to operate under the 'new retail normal' circumstances.

Though the first half year will be challenging, there is light at the end of the tunnel. As retailers will look for solutions to the isolation mandate, there will be huge dependence on technology which will give rise to innovations and improvements of existing processes. For instance, the shift from cash to digital payments is clearly accelerating. Retailers will focus on offering contact-less shopping options while virtual mirrors will become the new alternative to trial rooms. Restaurateurs will introduce services such as pre-ordering, kerbside pick-up and more to make the dining experience as contactless as possible. Solutions like these are expected to accelerate the arrival of technologies which were earlier not anticipated anytime soon.



# **DLF PROMENADE LIMITED**

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(CIN - U74920HR1999PLC034138) Website: [www.dlfpromenade.com](http://www.dlfpromenade.com)  
Tel No.: 0124-4778121, Email: [dlfpromenade@dlf.in](mailto:dlfpromenade@dlf.in)

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The government's stimulus packages for the economy will help bring back liquidity to the market and support industries in climbing out of recession rapidly. India will have the opportunity to build an economy that is more resilient, diversified and attractive to the global manufacturers and services.

By the third quarter of the current financial year, the retail sector can expect to bounce back and look forward to being profitable once again.

## **Dividend**

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

## **Reserves**

During the financial year under review, prior to redemption of 3,750 secured, rated, listed, redeemable non-convertible debentures, the Company had transferred ₹ 4.70 Crore to Debenture Redemption Reserve. Consequent to redemption of aforesaid Debentures, the Company transferred the entire balance of ₹ 38.93 Crore lying in Debenture Redemption Reserve to General Reserve

Further, consequent to issue of 76 privately placed, senior, secured, rated, unlisted, redeemable, rupee denominated NCDs during the current FY, the Company had transferred the requisite amount to Debenture Redemption Reserve as per the requirement of The Companies (Share Capital and Debentures) Rules, 2014 as amended.

## **Material Changes and Commitment**

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

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

There were no changes in the nature of business during the financial year under review.

## **Share Capital Structure**

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

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## **Commercial Mortgage Backed Securities (CMBS)**

The Company had issued and allotted 3,750 secured, rated, listed, redeemable non-convertible debentures (NCDs) of face value of ₹ 10 Lakhs each having coupon rate of 10.90% per annum payable on monthly rests under CMBS structure aggregating to ₹ 375 Crores (Rupees Three Hundred and Seventy-Five Crores Only), which were listed on Bombay Stock Exchange (BSE).

The Company had exercised its right to redeem all the aforesaid NCDs on 12<sup>th</sup> June 2019. Consequently, BSE vide its notice dated 19<sup>th</sup> June 2019 delisted the said NCDs w.e.f. 20<sup>th</sup> June 2019.

## **Issuance of Non-Convertible Debentures (NCDs)**

During the period under review, your Company has issued and allotted 76 privately placed, senior, secured, rated, unlisted, redeemable, rupee denominated NCDs of the face value of ₹ 5,00,00,000/- (Rupees Five Crores) each aggregating to ₹ 3,80,00,00,000 (Rupees Three Hundred and Eighty Crores only) to Standard Chartered Bank on 10<sup>th</sup> June 2019 to redeem 3,750 secured, rated, listed, redeemable NCDs issued earlier under CMBS.

## **Public Deposits**

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

## **Holding Company**

DLF Cyber City Developers Limited and DLF Limited are the holding Companies of your Company. Rajdhani Investments & Agencies Private Limited is the ultimate holding Company of your Company.

## **Subsidiary/Associate Companies/Joint Venture**

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

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m)



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of the Act 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 Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendments made thereunder from time to time.

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

Your Company has been following a policy framed by DLF Limited, the holding Company (DLF), on Prohibition, Prevention and Redressal of Sexual Harassment of Women at workplace and matter connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013". The Internal Complaints Committee of DLF handle/ deal with the complaints pertaining to DLF and its subsidiaries. During the period under review, no complaint was received.

## **Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Act the Board of Directors of the Company confirms 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.

## Secretarial Standards

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

## Number of Meetings of the Board

During the financial year under review, the Board met 7 (seven) times i.e. on **3<sup>rd</sup> May 2019, 7<sup>th</sup> June 2019, 10<sup>th</sup> June 2019, 23<sup>rd</sup> July 2019, 1<sup>st</sup> November 2019 & 29<sup>th</sup> January 2020 and 18<sup>th</sup> March 2020** as per the under noted attendance. The maximum interval between any two meetings was in compliance with the provisions of the Act. The requisite quorum was present at all the meetings.

S. No.	Name of the Members	Position	No. of meetings	
			Held during tenure	Attended
1.	*Mr. Surinder Singh Chawla	Independent Director	4	4
2.	*Mr. Santosh Kumar Garg	Independent Director	4	4
3.	Ms. Pushpa Bector	Director	7	7
4.	**Mr. Raj Kumar Jain	Nominee Director	3	3
5.	***Mr. R.P. Punjani	Director	5	5
6.	^Mr. Giri Raj Shah	Director	4	4
7.	^^Mr. Siddhartha Natu	Director & Manager	3	3

\*Resigned from the office of Independent Director of the Company w.e.f. 24<sup>th</sup> July 2019.

\*\*Resigned from the office of Nominee Director of the Company w.e.f. 18<sup>th</sup> July 2019.

\*\*\*Resigned from the office of Director of the Company w.e.f. 2<sup>nd</sup> November 2019.

^Appointed as Director w.e.f. 23<sup>rd</sup> July 2019.

^^Appointed as Director w.e.f. 1<sup>st</sup> November 2019.

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## Audit Committee#

During the financial year under review, in terms of the provisions of section 177 of the Act, the Company had an Audit committee consisting of Mr. Surinder Singh Chawla, Chairman Mr. Santosh Kumar Garg and Ms. Pushpa Bector as Members. During the FY- 2019-20, 3(three) meetings were held dated 3<sup>rd</sup> May 2019, 7<sup>th</sup> June and 23<sup>rd</sup> July 2019, 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. Surinder Singh Chawla	Chairman	3	3
2.	*Mr. Santosh Kumar Garg	Member	3	3
3.	Ms. Pushpa Bector	Member	3	3

\*Resigned from the office of Independent Director of the Company w.e.f. 24<sup>th</sup> July 2019.

## Nomination and Remuneration Committee (NRC)#

During the financial year under review, in terms of the provisions of section 178 of the Act, the Company had an NRC committee consisting of Mr. Surinder Singh Chawla, Chairman, Mr. Santosh Kumar Garg and Ms. Pushpa Bector as Members.

The broad terms of reference are as under: -

1. To determine Remuneration Policy of the Company;
2. To recommend to the Board the remuneration, whether by way of salary, perquisites, sitting fees, commission, stock options, sweat equity or in a combination thereof or otherwise, payable to the Managing Director(s), Whole-time Director(s) and other Directors, their relatives engaged in the employment of the Company;
3. To recommend to the Board the remuneration, whether by way of salary, perquisites, commission, retainership fee or otherwise, payable to Directors for discharging the professional or other services otherwise than in the capacity of Director;

#Dissolved w.e.f. 23<sup>rd</sup> July 2019.



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4. To frame policies and compensation including salaries, incentives, bonuses, promotion, benefits, stock options and performance targets for executives of the Company;
5. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;

The Committee while formulating the policy, shall ensure that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
  - (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
6. Formulation of criteria for evaluation of Independent Directors and the Board;
  7. Devising a policy on Board diversity; and
  8. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

The salient features of NRC Policy are provided below:

1. A director should comply with the eligibility criteria stipulated in Articles of Association of the Company and section 164 of the Act;
2. Tenure of directors, managing director or whole-time director or manager and independent director;



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3. Guiding principles of remuneration shall *inter alia* include quantitative and qualitative assessments of performance, external market and Company conditions to a balanced 'fair' outcome;
4. The premium paid on insurance taken by Company on behalf of its directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability shall not be treated as part of the remuneration.

Copy of the Nomination & Remuneration Policy is available at : <http://www.dlfpromenade.com/investor-policies.asp>.

During the FY- 2019-20, 2 (two) meetings were held dated 3<sup>rd</sup> May 2019 and 23<sup>rd</sup> July 2019, 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. Surinder Singh Chawla	Chairman	2	2
2.	*Mr. Santosh Kumar Garg	Member	2	2
3.	Ms. Pushpa Bector	Member	2	2

\*Resigned from the office of Independent Director of the Company w.e.f. 24<sup>th</sup> July 2019.

## **Dissolution of Audit Committee and NRC**

The Ministry of Corporate Affairs vide its notifications dated 5<sup>th</sup> July 2017 and 13<sup>th</sup> July 2017 had amended Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 respectively which state that unlisted wholly owned subsidiary public limited company(ies) are not required to appoint Independent Directors. Further, as per the provisions of sections 177 and 178 of the Act, companies which are exempt from the requirement of appointing independent directors are also not required to constitute an audit committee and NRC.

During the financial year under review, since your Company has delisted its NCDs from Bombay Stock Exchange, the Board of Directors of your Company had dissolved its Audit Committee and NRC w.e.f. 23<sup>rd</sup> July 2019.

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## Corporate Social Responsibility Committee (CSR Committee)

During the financial year under review, 2(two) meetings of the Corporate Social Responsibility Committee were held on 3<sup>rd</sup> May 2019 and 18<sup>th</sup> March 2020, 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. Surinder Singh Chawla	Chairman	1	1
2.	Ms. Pushpa Bector	#Chairperson	2	2
3.	**Mr. R.P. Punjani	Member	1	1
4.	***Mr. Giri Raj Shah	Member	1	1
5.	*** Mr. Siddhartha Natu	Member	1	1

\*Resigned from the office of Independent Director w.e.f. 24<sup>th</sup> July 2019.

\*\*Resigned from the office of Director w.e.f. 2<sup>nd</sup> November 2019.

\*\*\*Appointed as Members w.e.f. 1<sup>st</sup> November 2019.

#Consequent to resignation of Mr. Chawla, CSR Committee was reconstituted and Ms. Bector was appointed as the Chairperson of the Committee w.e.f. 23<sup>rd</sup> July 2019.

During the financial year under review, the Company has made significant investments in community welfare initiatives for the underprivileged through DLF Q.E.C. Educational Charitable Trust. The Company had spent the entire sum of ₹ 0.57 crore approximately through DLF Q.E.C. Educational Charitable Trust towards CSR activities/ projects/ programs for the FY 2019-20 in terms of Section 135 of the Act read with Schedule VII and the rules made thereunder.

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://dlfpromenade.com/investor-policies.asp>. The salient features of the CSR Policy are:

1. Constitution of CSR Committee and terms of reference of the Committee;
2. CSR activities shall be undertaken either by the Company and/or primarily through DLF Foundation / DLF QEC Educational Charitable Trust / DLF QEC Medical Charitable Trust or any other trust / registered society established by the Company;



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3. CSR Allocation;
4. Overall amount of CSR budget shall be approved by the Board upon recommendation by CSR Committee;
5. CSR activities to be undertaken by the Company;

The Annual Report on CSR activities is annexed as **Annexure-B**.

## Vigil Mechanism

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

The Chairman of the Audit Committee was authorised to hear the grievances of the stakeholders, employees and Directors and take steps to resolve the issues amicably and take appropriate actions against offender and report the same to the Audit Committee.

Consequent to dissolution of the Audit Committee, Ms. Pushpa Bector, Director, nominated by the Board of Directors to play the role of the audit committee for the purpose of vigil mechanism to whom stakeholders may report their concerns.

Any grievances can be sent to Ms. Pushpa Bector at [bector-pushpa@dlf.in](mailto:bector-pushpa@dlf.in).

## Auditors

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

## Auditors' Report

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

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



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## **Cost Records**

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company was not required to maintain cost records for the FY 2019-20.

## **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed A.S. & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2020, is annexed as **Annexure-C**. The said Report does not contain any qualification, reservation or adverse remarks.

## **Reporting of Frauds by Auditors**

During the FY under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed by the Company or its Directors or Key Managerial Personnel under Section 143(12) of the Companies Act, 2013.

## **Directors & Key Managerial Personnel**

During the financial year under review, the Board of Directors has appointed Mr. Giri Raj Shah as an Additional Director of the Company w.e.f. 23<sup>rd</sup> July 2019 and Mr. Siddhartha Natu, Manager as an Additional Director of the Company w.e.f. 1<sup>st</sup> November 2019.

Detailed profile including the experience of Mr. Giri Raj Shah and Mr. Siddhartha Natu forms part of the 21<sup>st</sup> AGM Notice.

Matter relating to appointment of Mr. Giri Raj Shah and Mr. Siddhartha Natu as Directors of the Company is being placed before the members in the ensuing AGM.

During the FY under review, Mr. Santosh Kumar Garg and Mr. Surinder Singh Chawla had resigned from the office of Independent Directors of the Company w.e.f. 23<sup>rd</sup> July 2019.

Further, during the FY under review, Mr. Raj Kumar Jain had resigned from the office of Nominee Director of the Company w.e.f. 18<sup>th</sup> July 2019 and

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Mr. R.P. Punjani had resigned from the office of Director of the Company w.e.f. 2<sup>nd</sup> November 2019.

The Board placed on record the appreciation of Mr. Raj Kumar Jain, Mr. R. P. Punjani, Mr. Santosh Kumar Garg and Mr. Surinder Singh Chawla, Directors during the deliberations of the board.

Pursuant to Section 152 of the Act, Ms. Pushpa Bector, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her re-appointment.

During the financial year no non-executive Directors of the Company had pecuniary relationship or transactions with the Company, other than the sitting fees paid to Independent Directors and Nominee Director and reimbursement of expenses incurred by Non-Executive Directors for the purpose of attending meetings of the Company.

During the financial year under review, Mr. Manoj Kumar Dua, Company Secretary has resigned from the office of Company Secretary of the Company w.e.f. 30<sup>th</sup> January 2020.

Mr. Siddhartha Natu, Director & Manager and Mr. Gurpreet Singh, Chief Financial Officer are the Key Managerial Personnel (KMPs) of the Company in terms of the provisions of the Act.

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

## **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 annexed as **Annexure-D**.

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

Particulars of loans, guarantees and investments, if any, have been disclosed in the notes to the financial statements provided in this Annual Report.

## **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)



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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 statement.

## **Evaluation**

Pursuant to the provisions of the Act, the Company has devised criteria for evaluation of the performance of Directors. The Board has carried out the annual performance evaluation of its own performance, CSR Committee and Directors. The evaluation process focused on various aspects of the Board functioning such as composition of the Board, 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 Company has an established risk management framework that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks.

The Company has partnered with DuPont, an independent agency to infuse a safety culture into the organization. An approved inspection and audit procedure are followed to monitor the safety performance of the Company which included internal audits carried by the internal audit team of "SPAD" and external audits conducted by DuPont, third party annual fire and electrical safety audit and British Safety Council-Five Star Occupational Health and Safety Audit.

The Board oversees the evaluation of risk management systems and also seeks independent assurance on specific risks from internal audit and other assurance reviews. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.



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## **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 Auditors during the course of their audits. Significant audit observations and follow up actions thereon are reported to the Board.

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

## **Significant and material orders passed by regulators or courts**

There are no significant material orders passed by the regulators/ courts which would impact the going concern status of the Company and its future operations.

## **Accolades**

During the financial year under review, "DLF Promenade" has been conferred with the following awards:

- 'LEED Platinum' certification by **United States Green Building Council**.
- "Sword of Honour" by **British Safety Council**.

## **Details of Debenture Trustee:**

The details of Debentures Trustee are as under:

Axis Trustee Services Limited  
2<sup>nd</sup> Floor, E, Axis House, Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg, Worli, Mumbai-400025.

## **Acknowledgement**

Your Company continues to occupy a place of respect among stakeholders, most of all our valuable customers. Your Directors would like to express their sincere appreciation for assistance and co-operation received from the vendors and stakeholders including financial institutions, banks, Central and State Government authorities, customers and other business

# DLF PROMENADE LIMITED

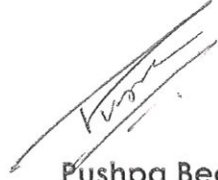
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associates, who have extended their valuable and sustained support and encouragement during the year under review. It will be the Company's endeavor to build and nurture these strong links with its stakeholders.

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



Date: 01.06.2020  
Place: Gurugram



Pushpa Bector  
Director  
DIN:02917318



Siddhartha Natu  
Director & Manager  
DIN: 08530713

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# DLF PROMENADE LIMITED

Regd. Office: Shopping Mall, Phase-I, DLF City, Gurugram, Haryana-122 002  
(CIN - U74920HR1999PLC034138) Website: [www.dlfpromenade.com](http://www.dlfpromenade.com)  
Tel No.: 0124-4778121, Email: [dlfpromenade@dlf.in](mailto:dlfpromenade@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;	Optimization of HVAC equipment's operation in high side as well as low side. Replacement of common area light fixtures with LED lights & old pumps with energy efficient pumps
(ii)	The steps taken by the company for utilizing alternate sources of energy;	Energy derived from 24KW rooftop Solar panels & Green Energy from open access
(iii)	The capital investment on energy conservation equipments;	₹ 10 Lacs for LED lights, hydro pneumatic pumps & Sump pumps

### B. TECHNOLOGY ABSORPTION:

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



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## C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Amount in ₹)

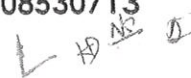
		2019-20	2018-19
(i)	The Foreign Exchange earned in terms of actual inflows during the financial year; and	Nil	Nil
(ii)	The Foreign Exchange outgo during the financial year in terms of actual outflows.	Nil	74,198/-

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

Date: 01.06.2020  
Place: Gurugram

  
Pushpa Bector  
Director  
DIN:02917318

  
Siddhartha Natu  
Director & Manager  
DIN: 08530713



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Annexure B

## 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 Promenade 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.dlfpromenade.com/investors/pdfs/CSR Policy DLF Promenade Ltd.pdf">http://www.dlfpromenade.com/investors/pdfs/CSR Policy DLF Promenade 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 Annual General Meeting.</p>
2	The Composition of the CSR Committee	<p>1) Ms. Pushpa Bector (Chairperson)</p> <p>2) Mr. Siddhartha Natu (Member)</p> <p>3) Mr. Giri Raj Shah (Member)</p>
3	Average net profit of the company for last three financial years	₹ 28.59 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 0.57 Crore (Approx.)
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>₹ 0.57 Crore (Approx).</p> <p>Nil</p> <p>As detailed below</p>

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(₹ in Lakh)

DETAILS OF EXPENDITURE									
Sl. No	Programme Name	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2)Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) project or programs wise	Amount spent on the projects or programs		Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
						Direct expenditure on projects or programmes	Overheads		
1	Education Promotion Programme	Promotion of Education through Scholarships & Allied Nurturing Talent Activities	Education	Pan India	57.20	57.20	-	57.20	DLF QEC Educational Charitable Trust
	Total				57.20	57.20	-	57.20	

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

  
**Pushpa Bector**  
 (Chairperson of CSR Committee)  
 DIN: 02917318

  
**Siddhartha Natu**  
 Director & Manager  
 DIN: 08530713

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**AS & ASSOCIATES**  
COMPANY SECRETARIES

Annexure C

Office: 215, Suneja Tower-II, District Centre, JanakPuri, New Delhi-110058.  
Tel. +91-9810135408  
Email; anilsetia\_cs@rediffmail.com

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31/03/2020**

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

To,  
The Members  
M/s DLF Promenade Limited  
(CIN:U74920HR1999PLC034138)  
Shopping Mall, Phase- 1,  
DLF City, Gurugram,  
Haryana-122002

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

Based on my verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

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

**DLF Promenade Limited -31.03.2020**



**AS & ASSOCIATES**  
**COMPANY SECRETARIES**

Office: 215, Suneja Tower-II, District Centre, JanakPuri, New Delhi-110058.

Tel. +91-9810135408

Email: anilsetia\_cs@rediffmail.com

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

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

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

There was no activity to be reported under the SCRA, Depositories Act, FEMA and the rules made thereunder. Only debt securities (Non -convertible Debentures) of the Company were listed on BSE as such, provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 are not applicable per se.

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

**I further report that** the Board of Directors of the Company is duly constituted. With regard to proper balance of Executive Directors, Non-Executive Directors and Independent Directors, as applicable, it is stated that consequent upon delisting of debt securities from BSE and by virtue of Notification dated 5<sup>th</sup> July, 2017, issued by the Government of India, Ministry of Corporate Affairs, exemptions were given to certain unlisted public companies from the appointment of independent directors. In view of this, the Company has restructured its Board of Directors and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Except where for urgent business necessity at a shorter notice, agenda and detailed notes on agenda were sent as per the requirement of the Act read with Secretarial Standard-1. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

*Signature*



DLF Promenade Limited -31.03.2020



**AS & ASSOCIATES**  
COMPANY SECRETARIES

Office: 215, Suneja Tower-II, District Centre, JanakPuri, New Delhi-110058.

Tel. +91-9810135408

Email: anilsetia\_cs@rediffmail.com


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

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

**I further report that** during the audit period:

- (i) regarding Public/Right/Preferential issue of shares / debentures/sweat equity, etc., it is stated that in terms of the board resolution passed by the Board of Directors of the Company at their meeting held on 10<sup>th</sup> June 2019, the Company has issued and allotted, senior, secured, rated, unlisted, Redeemable, Rupee Denominated, Non-convertible Debentures on Private Placement basis to Standard Chartered Bank, Mumbai, aggregating Rupees 380 Crore as per the terms of the issue. Except that there were no other instances of Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) the Company has redeemed all the Listed Non-convertible Debentures(NCDs) aggregating Rupees 375 Crores as per the terms of issue on 12<sup>th</sup> June 2019 and made application to the BSE for delisting of the said NCDs. Accordingly, BSE vide its notice dated 19<sup>th</sup> June 2019 delisted the said NCDs w.e.f. 20<sup>th</sup> June 2019. Further, there was no instance of buy-back of securities.
- (iii) there was no instance of major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) there were no instances of Merger / amalgamation / reconstruction, etc., and
- (v) there were no instances of Foreign technical collaborations.

Place: New Delhi  
Date: 24<sup>th</sup> April 2020

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

UDIN of ICSI: F002856B000176689





## Annexure D

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

## I REGISTRATION &amp; OTHER DETAILS:

i	CIN	U74920HR1999PLC034138
ii		02.02.1999
iii	Name of the Company	DLF PROMENADE LIMITED
iv	Category/Sub-category of the Company	Public Company, Limited by Shares
v	Address of the Registered office & contact details	Shopping Mall, Phase - 1, DLF City, Gurugram - 122 002, Haryana. Tel No.: 0124-4778121, Contact Details : 0124-4778101/8121 E- mail ID: punjani-rp@dlf.in
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	For Debentures: KFin Technologies Private Limited Karvy Selenium Tower B, Plot no. 31&32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Contact Person- Mr. Varghese P.A.: 040-67162222. For Equity : Alankit Assignments Limited 'Alankit House' 2E/21, Jhandewalan Extension, New Delhi - 110055. Contact Person- Mr. J.K. Singla : 011-42541960

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

## III PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES

Sl No.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF VOTING RIGHTS	APPLICABLE SECTION
1	DLF Cyber City Developers Limited Regd. office: 10th Floor, Gateway Tower, DLF City, Phase-III, Gurugram, Haryana -122002	U45201HR2006PLC036074	Holding	100.00%	Sec 2(46)
2	DLF Limited, Regd. Office: Shopping Mall, 3rd Floor, Arjun Marg, Phase I, DLF City, Gurugram, Haryana -122002.	L70101HR1963PLC002484	Holding	-	Sec 2(46)
3	Rajdhani Investments & Agencies Private Limited, Regd. Office: MC Shah House, 1/B, FF, Avantika Society, Nr.Naranpura Railway Crossing, Naranpura, Ahmedabad-380013.	U65993GJ1972PTC097502	Ultimate Holding	-	Sec 2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	65,21,500	-	65,21,500	100.00	65,21,500	-	65,21,500	100.00	0
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (1)</b>	65,21,500	-	65,21,500	100.00	65,21,500	-	65,21,500	100.00	0
(2) Foreign									
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</b>									
<b>(A) = (A)(1) + (A)(2)</b>	65,21,500	-	65,21,500	100.00	65,21,500	-	65,21,500	100.00	0
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
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
(2) Non Institutions									
a) Bodies Corporates	-	-	-	-	-	-	-	-	0
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2):</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	-	-	-	-	-	-	-	-	-
<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>	65,21,500	-	65,21,500	100	65,21,500	-	65,21,500	100	0

## (II) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	% change in share holding during the year
1	DLF Cyber City Developers Limited (along with its six nominees)	65,21,500	100.00	100.00	65,21,500	100.00	100.00	-
	<b>Total</b>	<b>65,21,500</b>	<b>100.00</b>	<b>100.00</b>	<b>65,21,500</b>	<b>100.00</b>	<b>100.00</b>	<b>-</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	65,21,500	100.00	65,21,500	100.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There has been no change in shareholding.			
2	At the end of the year	-	-	65,21,500	100.00

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

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



V INDEBTEDNESS

(Amount in ₹)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,75,00,00,000.00	27,43,00,000.00	-	4,02,43,00,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,34,38,358.31	5,03,82,097.67	-	6,38,20,455.98
<b>Total (i+ii+iii)</b>	<b>3,76,34,38,358.31</b>	<b>32,46,82,097.67</b>	<b>-</b>	<b>4,08,81,20,455.98</b>
Change in Indebtedness during				
Additions	3,89,06,00,013.73	45,00,00,000.00	-	4,34,06,00,013.73
Reduction	(3,81,60,76,112.00)	(77,46,82,097.67)	-	(4,59,07,58,209.67)
<b>Net Change</b>	<b>7,45,23,901.73</b>	<b>(32,46,82,097.67)</b>	<b>-</b>	<b>(25,01,58,195.94)</b>
Indebtedness at the end of the				
i) Principal Amount	3,73,39,23,888.00	-	-	3,73,39,23,888.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10,40,38,372.04	-	-	10,40,38,372.04
<b>Total (i+ii+iii)</b>	<b>3,83,79,62,260.04</b>	<b>-</b>	<b>-</b>	<b>3,83,79,62,260.04</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 profit others, specify - as% of -	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	-	-	-
	<b>Ceiling as per the Act</b>	-	-	-	-

**B. Remuneration to other directors:**

(Amount in ₹)

1	Independent Directors	-	Mr. Santosh Kumar Garg	Mr. Surinder Singh Chawla	-
	(a) Fee for attending board/ committee meetings	-	1,80,000	2,00,000	3,80,000
	(b) Commission	-	-	-	-
	(c ) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	<b>1,80,000</b>	<b>2,00,000</b>	<b>3,80,000</b>
2	Other Non Executive Directors	Mr. Raj Kumar Jain (Nominee Director)	-	-	-
	(a) Fee for attending	60,000	0	0	60,000
	(b) Commission	-	-	-	-
	(c ) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>60,000</b>
	<b>Total (B)=(1+2)</b>				<b>4,40,000</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: NIL**

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>	-	-	-	-

## 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

Date: 01.06.2020  
Place: Gurugram

Pushpa Bector  
Director  
DIN- 02917318

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

Siddhartha Natu  
Director & Manager  
DIN-08530713

NS KD 2



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of DLF Promenade Limited

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of DLF Promenade Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

We draw attention to Note 40 to the Ind AS financial statements, which describes the uncertainties and management's assessment of the impact of Covid-19 pandemic on the Company's operations, carrying amounts of investment properties, recoverability of receivables and other assets and management's evaluation of the future performance of the Company, which is highly dependent on future developments and circumstances as they evolve.

Our opinion is not qualified in respect of this matter.

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

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

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

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





# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **Responsibilities of Management for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendments) 2017. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

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

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2017;
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The Company has not paid or provided for any managerial remuneration. Accordingly, provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;





## **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

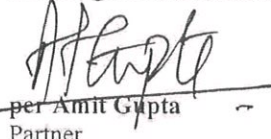
(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer note 33 to the Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

  
per Amit Gupta

Partner

Membership Number: 501396

UDIN: 20501396AAAAAN6485



Place: Gurugram

Date: June 1, 2020

## **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

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

Re: DLF Promenade Limited ("the Company")

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property plant and equipment, investment property and investment property under development.
- b) Fixed assets comprising of property plant and equipment, investment property and investment property under development have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.
- ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provision of Section 185 and Section 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the product/services of the Company.
- vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, provident fund, duty of custom and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance, provident fund, duty of excise and duty of custom are not applicable to the Company.
- c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to debenture holders. The Company did not have any loans or borrowing in respect of a dues to financial institutions, banks or to government during the year.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments for the purposes for which they were raised. The Company has not raised any money by way of initial public offer / further public offer / term loans.



# **S.R. BATLIBOI & Co. LLP**


Chartered Accountants

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) The company has not paid or provided for any managerial remuneration. Accordingly reporting requirements under clause 3(xi) of the Order are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

  
per Amit Gupta  
Partner

Membership Number: 501396

UDIN: 20501396AAAAAN6485



Place: Gurugram

Date: June 1, 2020



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DLF PROMENADE LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of DLF Promenade Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

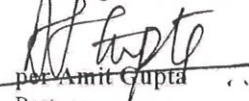
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

  
per Amit Gupta

Partner

Membership Number: 501396

UDIN: 20501396AAAAAN6485



Place: Gurugram

Date: June 1, 2020



DLF Promenade Limited  
Balance Sheet as at March 31, 2020  
(All amounts in ₹ lacs, unless otherwise stated)

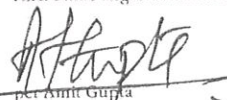
	Notes	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	20.51	15.18
Investment property	4	50,495.03	51,494.25
Investment property under development	4	27.38	146.43
Financial assets			
Loans	5	69.99	69.99
Other financial assets	6	921.04	0.00
Deferred tax assets (net)	7	1,326.37	1,648.51
Non-current tax assets (net)	8	2,236.15	1,875.29
Other non-current assets	9	-	3.99
		<u>55,096.47</u>	<u>55,253.64</u>
<b>Current assets</b>			
Financial assets			
Trade receivables	10	624.82	966.55
Cash and cash equivalents	11	1,507.68	645.49
Other bank balances	12	2,074.97	261.73
Other financial assets	6	4.63	1,408.00
Other current assets	9	232.64	123.45
		<u>4,444.74</u>	<u>3,405.22</u>
<b>TOTAL ASSETS</b>		<u>59,541.21</u>	<u>58,658.86</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	652.15	652.15
Other equity	14	14,484.81	11,027.07
<b>Total equity</b>		<u>15,136.96</u>	<u>11,679.22</u>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	35,663.61	-
Other financial liabilities	16	2,120.57	2,393.64
Other non-current liabilities	17	351.01	1,083.29
		<u>38,135.19</u>	<u>3,476.93</u>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	15	-	2,743.00
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		16.15	11.78
Total outstanding dues of creditors other than micro enterprises and small enterprises		717.01	797.39
Other financial liabilities	19	5,037.44	39,418.69
Other current liabilities	20	498.46	531.85
		<u>6,269.06</u>	<u>43,502.71</u>
<b>Total liabilities</b>		<u>44,404.25</u>	<u>46,979.64</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>59,541.21</u>	<u>58,658.86</u>

Summary of significant accounting policies

2

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


For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm's Registration No.: 3010031E/ E300005


  
per Anil Gupta  
Partner  
Membership Number: 501396

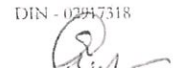


Place: Gurugram  
Date: June 1, 2020

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

  
Bishpa Bector  
Director  
DIN - 02847318

  
Siddhartha Natu  
Director & Managing Director  
DIN - 08530713

  
Gurpreet Singh  
Chief Financial Officer

Place: Gurugram  
Date: June 1, 2020





DLF Promenade Limited

Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	March 31, 2020	March 31, 2019
<b>Revenue</b>			
Revenue from operations	21	15,858.94	15,234.70
Other income	22	231.10	194.23
<b>Total income</b>		<u>16,090.04</u>	<u>15,428.93</u>
<b>Expenses</b>			
Finance costs	23	4,265.91	5,399.40
Depreciation expense	24	1,218.99	1,177.01
Other expenses	25	6,031.17	5,684.09
<b>Total expenses</b>		<u>11,516.07</u>	<u>12,260.50</u>
<b>Profit before tax</b>		4,573.97	3,168.43
<b>Tax expense:</b>	26		
Current tax		804.66	689.52
Deferred tax (including creation of MAT credit entitlement)		319.93	108.43
<b>Profit after tax</b>		<u>3,449.38</u>	<u>2,370.48</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u>3,449.38</u>	<u>2,370.48</u>
<b>Earnings per equity share</b>	27		
Basic		52.89	36.35
Diluted		52.89	36.35

Summary of significant accounting policies

2

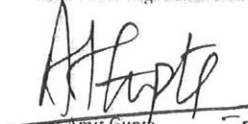
The accompanying notes forms an integral part of these financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

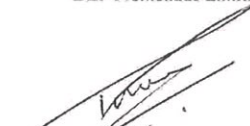
ICAI Firm's Registration No.: 301003E/ E300005

  
per Amit Gupta  
Partner

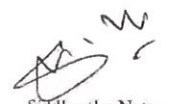
Membership Number: 501396



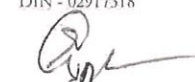
For and on behalf of the Board of Directors of  
DLF Promenade Limited

  
Pushpa Bector  
Director

DIN - 02917318

  
Siddhartha Natu  
Director & Manager

DIN - 08530713

  
Gurpreet Singh  
Chief Financial Officer



Place : Gurugram

Date : June 1, 2020

Place : Gurugram

Date : June 1, 2020

**DLF Promenade Limited**  
Statement of Changes in Equity for the year ended March 31, 2020  
(All amounts in ₹ lacs, unless otherwise stated)

A Equity share capital		Balance as at April 1, 2018	Change during the year	Balance as at March 31, 2019	Change during the year	Balance as at March 31, 2020
Particulars						
Equity share capital		652.15	-	652.15	-	652.15

B Other equity		Reserves and surplus			Total Other equity
Particulars		Securities premium	Debt redemption reserve	General reserve	Retained earnings
Balance as at April 1, 2018		14,323.75	1,052.48	-	8,656.59
Profit for the year		-	-	-	2,370.48
Transfer from retained earnings *		-	2,370.48	-	(2,370.48)
Balance as at March 31, 2019		14,323.75	3,422.96	-	11,027.07
Adjustment on account of Ind AS 116 (net of taxes)		-	-	-	8.36
Revised opening balance as at April 1, 2019		14,323.75	3,422.96	-	11,035.43
Profit for the year		-	(3,893.29)	-	3,449.38
Transfer from debt redemption reserve on redemption of 10.9% Non convertible debentures *		-	4,204.25	3,893.29	-
Creation of debt redemption reserve*		-	-	(3,733.92)	(470.33)
Balance as at March 31, 2020		14,323.75	3,733.92	159.37	14,484.81

\* refer note 14.

The accompanying notes forms an integral part of these financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

(CA) Firm's Registration No.: 301003E/ E300005



*[Signature]*  
per Amit Gupta  
Partner

Membership Number: 501396

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

*[Signature]*  
Pushpa Bector  
Director  
DIN - 02917318

*[Signature]*  
Siddhartha Nataraj  
Director & Manager  
DIN - 08530713



*[Signature]*  
Gurpreet Singh  
Chief Financial Officer

Place: Gurugram  
Date : June 1, 2020

Place: Gurugram  
Date : June 1, 2020

DLF Promenade Limited  
Statement of Cash Flow for the year ended March 31, 2020  
(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2020	March 31, 2019
<b>A. Cash flow from operating activities</b>		
Profit before tax	4,573.97	3,168.43
Adjustment for :		
Interest expense	4,032.26	5,119.85
Interest income	(225.68)	(192.99)
Amount forfeited on properties	(42.40)	(0.68)
Loss on sale of investment property	31.72	-
Unclaimed balance written back	(4.85)	(0.40)
Provision for doubtful debts	20.76	-
Depreciation expense	1,218.99	1,177.01
Rent straight lining	(20.39)	-
Financial liability measured at amortised cost (net)	(18.34)	(24.82)
Loss on pre settlement/ modification of financial liability (net)	86.82	10.44
<b>Operating profit before working capital changes</b>	<b>9,652.86</b>	<b>9,256.84</b>
Adjustment for change in working capital:		
Decrease/(increase) in trade receivables	320.97	(152.51)
Decrease/(increase) in financial assets and other current assets	(74.31)	132.67
Decrease in trade payables	(76.01)	(416.15)
Increase in financial liabilities and other current liabilities	199.58	561.96
<b>Cash flow from operations</b>	<b>10,023.09</b>	<b>9,382.81</b>
Income tax paid (net of refunds)	(1,165.53)	(1,003.29)
<b>Net cash flow from operating activities</b>	<b>8,857.56</b>	<b>8,379.52</b>
<b>B. Cash flow from investing activities</b>		
Interest received	239.63	170.04
(Investment in)/proceeds from other bank balances	(1,813.24)	459.55
Proceeds from /(investment in) fixed deposits (net)	468.39	(66.50)
Purchase of Property, plant and equipment and Investment property (including investment property under development)	(192.13)	(222.54)
Sale of investment property	4.27	-
<b>Net cash flow from/(used in) investing activities</b>	<b>(1,293.08)</b>	<b>340.55</b>
<b>C. Cash flow from financing activities</b>		
Redemption of 10.9% Non convertible debentures	(37,500.00)	-
Proceeds from issue of 9% Non convertible debentures	38,000.00	-
Repayment of 9% Non convertible debentures	(660.76)	-
Interest/processing fees paid on issue of Non convertible debentures	(3,798.53)	(4,929.65)
Receipt of loans from related parties	6,000.00	-
Repayment of loans taken from related parties	(8,743.00)	(3,823.00)
<b>Net cash used in financing activities</b>	<b>(6,702.29)</b>	<b>(8,752.65)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>862.19</b>	<b>(32.58)</b>
Cash and cash equivalents at the beginning of the year	645.49	678.07
Cash and cash equivalents at the end of the year (refer note 11)	<b>1,507.68</b>	<b>645.49</b>

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

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

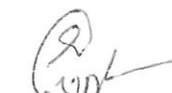
  
per Amit Gupta  
Partner  
Membership Number: 501396



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

  
Pushpa Bector  
Director  
DIN - 02917318

  
Siddhartha Natu  
Director & Manager  
DIN - 08530713

  
Gurpreet Singh  
Chief Financial Officer



Place: Gurugram  
Date: June 1, 2020

Place: Gurugram  
Date: June 1, 2020



## **DLF Promenade Limited**

### **Notes to the financial statement for the year ended March 31, 2020**

*(All amount in ₹ lacs, unless otherwise stated)*

#### **1. Corporate information**

##### **Nature of principal activities**

DLF Promenade Limited ("the Company") is a public company domiciled in India and has its registered office in Gurugram, Haryana. The Company was incorporated on February 02, 1999 under the provisions of Indian Companies Act. The registered office of the Company is located at Shopping Mall, Phase-I, DLF City, Gurugram, Haryana.

The Company has constructed a Shopping mall-cum-entertainment complex named as DLF Promenade, at Vasant Kunj, consisting of shops, commercial spaces, entertainment centre including but not limited to eateries, convention hall, indoor games court, food court, restaurants etc. and basement for parking and other spaces etc. The Company is engaged in the business of leasing and maintenance of shopping mall.

The financial statements for the year ended March 31, 2020 were authorized and approved for issue by the Board of Directors on June 01, 2020.

#### **2. Significant accounting policies**

##### **2.1 Basis of preparation**

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

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

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

##### **2.2 Summary of significant accounting policies**

###### **a) Current and non-current classification**

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

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

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

*Revenue is recognized as follows:*

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

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



## DLF Promenade Limited

### Notes to the financial statement for the year ended March 31, 2020

(All amount in ₹ lacs, unless otherwise stated)

#### Contract balances

##### Contract assets

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

##### Trade receivables

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

##### Contract liabilities

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

#### c) Borrowing costs

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

#### d) Property, plant and equipment

##### Recognition and initial measurement

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

##### Subsequent measurement (depreciation and useful lives)

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

Asset category	Estimated useful life (in years)
Office equipments	5
Furniture and fixtures	10
Computer equipments	6

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

##### De-recognition

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





## DLF Promenade Limited

### Notes to the financial statement for the year ended March 31, 2020

(All amount in ₹ lacs, unless otherwise stated)

#### Transition to Ind AS

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

#### e) Investment property

##### *Recognition and initial measurement*

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

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

##### *Capital work-in-progress*

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

##### *Subsequent measurement (depreciation and useful lives)*

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

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

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

##### *De-recognition*

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

#### Transition to Ind AS

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

#### f) Foreign currencies

##### *Functional and presentation currency*

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

##### *Transactions and balances*

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

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

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





**DLF Promenade Limited**

**Notes to the financial statement for the year ended March 31, 2020**

*(All amount in ₹ lacs, unless otherwise stated)*

**g) Leases**

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

**Company as a lessee**

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

**Right to use assets**

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

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

**Lease liabilities**

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

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

**Short-term leases and leases of low-value assets**

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

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight line basis over the lease term and is included in revenue in the Statement of Profit or Loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.





**DLF Promenade Limited**

**Notes to the financial statement for the year ended March 31, 2020**

*(All amount in ₹ lacs, unless otherwise stated)*

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

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

**i) Financial instruments**

*Initial recognition and measurement*

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

**Non-derivative financial assets**

*Subsequent measurement*

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

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

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

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

*De-recognition of financial assets*

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

**Non-derivative financial liabilities**

*Initial recognition and measurement*

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

*Subsequent measurement*

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

*De-recognition of financial liabilities*

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





**DLF Promenade Limited**

**Notes to the financial statement for the year ended March 31, 2020**

*(All amount in ₹ lacs, unless otherwise stated)*

**Offsetting of financial instruments**

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

**j) Compound financial instrument**

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

**k) Impairment of financial assets**

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

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

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

*Trade receivables*

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

*Other financial assets*

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

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

**l) Income Taxes**

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

**Current income tax**

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

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate





## DLF Promenade Limited

### Notes to the financial statement for the year ended March 31, 2020

(All amount in ₹ lacs, unless otherwise stated)

#### Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

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

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

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

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

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

#### m) Cash and cash equivalents

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

#### n) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

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

#### o) Earnings per share

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

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





**DLF Promenade Limited**

**Notes to the financial statement for the year ended March 31, 2020**

*(All amount in ₹ lacs, unless otherwise stated)*

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

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

*Significant management judgements*

**Property lease classification – Company as lessor**

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

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

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

The Company has not included the renewal period as part of the lease term for buildings given to leases to tenants considering the following:

- i. Option of renewal of lease term is solely at the option of lessee and the Company is not reasonably certain that the lessee may exercise the option of renewal, as this is outside the control of the Company.
- ii. Considering the current market dynamics of rental market, where more and more players have entered the commercial office space market as well as looking at the data of current churn of leases and rental growth in last 10 years, there is no reasonable certainty of renewal of leases over total lease period.

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

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

**Estimates**

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

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

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

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

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





## DLF Promenade Limited

### Notes to the financial statement for the year ended March 31, 2020

(All amount in ₹ lacs, unless otherwise stated)

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

#### Leases - Estimating the incremental borrowing rate

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

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

## 2.3 Changes in accounting policies and disclosures

#### New and amended standards

The Company applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

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

#### a) Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17, , including Appendix A of Ind AS 17 *Operating Leases-Incentives*, Appendix B of Ind AS 17 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease* and Appendix C of Ind AS 17, *Determining whether an Arrangement contains a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessors to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. However, under Ind AS 17, the exemption available to lessor in respect of straight lining of rental income if the increase in rental income was in line with general inflation has been withdrawn in Ind AS 116. Accordingly, lessors are now required to account for impact of escalations in rental income over the lease term either on a straight-line basis or any other systematic basis.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17.

The effect of adoption Ind AS 116 as at April 1, 2019 (increase/(decrease)) is, as follows:

Particulars	Amount
<b>Assets</b>	
Unbilled receivables	10.50
<b>Total assets</b>	<b>10.50</b>
<b>Total adjustment on equity</b>	
Retained earnings	10.50
Deferred tax impact on above	(2.14)



**DLF Promenade Limited**

**Notes to the financial statement for the year ended March 31, 2020**

*(All amount in ₹ lacs, unless otherwise stated)*

**b) Amendments to Ind AS 12 Income Taxes**

*Appendix C Uncertainty over Income Tax Treatments* addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 *Income Taxes*. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex environment, it assessed whether the Appendix had an impact on its financial statements.

Further, another amendment has been made to Ind AS 12 that clarifies that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

The amendment is applicable for the reporting periods beginning on or after April 1, 2019. When the entity first applies this amendment, it applies them to the income tax consequences of dividends recognised on or after the beginning of the earliest comparative period. Since the Company's current practice is in line with these amendments, they had no impact on the financial statements of the Company.

**c) Amendments to Ind AS 23 Borrowing Costs**

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after April 1, 2019. Since the Company's current practice is in line with these amendments, they had no impact on the financial statements of the Company.

**2.4 Standards issued but not yet effective**

There is no standard issued but not yet effective as on date which is effective from next year.





3 Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2020 and March 31, 2019 are as follows:

	Furniture and fixtures	Office equipment	Computer equipment	Total
Gross block				
As at April 1, 2018	32.34	15.15	-	47.49
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2019	32.34	15.15	-	47.49
Additions	12.83	0.28	3.28	16.39
Disposals	-	-	-	-
As at March 31, 2020	45.17	15.43	3.28	63.88
Accumulated depreciation				
As at April 1, 2018	12.84	15.15	-	27.99
Charge for the year	4.32	-	-	4.32
Disposals	-	-	-	-
As at March 31, 2019	17.16	15.15	-	32.31
Charge for the year	10.28	0.12	0.66	11.06
Disposals	-	-	-	-
As at March 31, 2020	27.44	15.27	0.66	43.37
Net block				
As at March 31, 2019	15.18	-	-	15.18
As at March 31, 2020	17.73	0.16	2.62	20.51

(i) Contractual obligations

The Company does not have any contractual commitments for the acquisition of property, plant and equipment as at March 31, 2020 and March 31, 2019.

(ii) Capitalised borrowing cost

The Company has not capitalised any borrowing cost during the year ended March 31, 2020 and the year ended March 31, 2019.

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

Description	Gross block	Accumulated depreciation	Net block
Furniture and fixtures	41.63	17.75	23.88
Office equipments	29.06	13.91	15.15
Total	70.69	31.66	39.03

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**DLF Promenade Limited**  
Notes to the financial statements for the year ended March 31, 2020  
(All amounts in ₹ lacs, unless otherwise stated)

**4 Investment property**

	Land	Buildings	Plant and equipments	Investment property under development	Total
Gross block					
As at April 1, 2018	27,817.79	21,277.60	6,939.15	14.06	56,048.60
Additions	-	7.30	114.67	146.43	268.40
Disposals/adjustment				(14.06)	(14.06)
As at March 31, 2019	<u>27,817.79</u>	<u>21,284.90</u>	<u>7,053.82</u>	<u>146.43</u>	<u>56,302.94</u>
Additions	145.10	15.78	82.47	27.38	270.73
Disposals/adjustment	-	-	(79.21)	(146.43)	(225.64)
As at March 31, 2020	<u>27,962.89</u>	<u>21,300.68</u>	<u>7,057.08</u>	<u>27.38</u>	<u>56,348.03</u>
Accumulated depreciation					
As at April 1, 2018	-	1,180.31	2,349.26	-	3,489.57
Charge for the year	-	393.21	779.48	-	1,172.69
Disposals/adjustment	-	-	-	-	-
As at March 31, 2019	-	<u>1,573.52</u>	<u>3,088.74</u>	-	<u>4,662.26</u>
Charge for the year	-	395.24	812.69	-	1,207.93
Disposals/adjustment	-	-	(44.57)	-	(44.57)
As at March 31, 2020	-	<u>1,968.76</u>	<u>3,856.86</u>	-	<u>5,825.62</u>
Net block					
As at March 31, 2019	27,817.79	19,711.38	3,965.08	146.43	51,640.68
As at March 31, 2020	<u>27,962.89</u>	<u>19,331.92</u>	<u>3,200.22</u>	<u>27.38</u>	<u>50,522.41</u>

**(i) Contractual obligations**

Refer note 33 for disclosure of contractual commitments for the acquisition of investment property.

**(ii) Capitalised borrowing cost**

The Company has not capitalised any borrowing cost during the year ended March 31, 2020 and March 31, 2019.

**(iii) Investment property pledged as security**

Refer note 15 for information on investment properties pledged as security by the Company.

**(iv) Additions includes ₹ 15.72 lacs capitalized as brokerage expense in Building under head "Investment Property" in accordance with the Ind AS 116. Leases and depreciated over the initial lease term.**

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

Particulars	March 31, 2020	March 31, 2019
Rental income	10,883.78	10,338.04
Direct operating expenses that generated rental income	(662.96)	(776.28)
Direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties before depreciation	10,220.82	9,561.76
Depreciation expense	(1,207.93)	(1,172.69)
Profit from leasing of investment properties after depreciation	9,012.89	8,389.07

**(vi) Operating lease commitments- as a lessor**

The Company has entered into operating leases on its investment property portfolio consisting of retail building (see note 21). These leases have terms of between 5 and 9 years. All leases include a clause to enable upward revision of the rental charge as per the agreement and according to prevailing market conditions.

Future minimum rentals receivable under non cancellable operating lease as at March 31, 2020 and March 31, 2019 is as follows:

Particulars	March 31, 2020	March 31, 2019
Up to one year	5,668.41	5,342.81
After one year but not more than 5 years	2,537.19	3,577.91
More than five years	2,605.62	2,840.61
Total	<u>10,811.22</u>	<u>11,761.33</u>





**DLF Promenade Limited**  
**Notes to the financial statements for the year ended March 31, 2020**  
*(All amounts in ₹ lacs, unless otherwise stated)*

(vii) Fair Value	March 31, 2020	March 31, 2019
Particulars		
Fair Value	1,19,150.00	1,17,640.00

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 valuation for its investment property at least annually and fair value measurements are categorised as level 3 measurement in the fair value hierarchy.

- Following are the valuation models which have been applied by the independent valuer:
- Discounted cash flow method, where net present value is determined based on projected cash flows discounted at an appropriate rate
  - Sales comparable method, which compares the price or price per unit area of similar properties being sold in the marketplace.

The fair value of investment property and investment property under development has been computed by the Valuer as an average of fair values derived using above two methods. Further, considering the outbreak of (COVID-19) global pandemic, the valuer has considered lesser weightage to the previous market evidence for comparison purpose and has computed fair values based on 'material valuation uncertainty' i.e. with lesser certainty and a higher degree of caution attached to these valuations than would normally be the case, in accordance with VPS 3 and VPGA 10 issued by Royal Institution of Chartered Surveyors (RICS).

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

(viii) Deemed cost of investment property (represents deemed cost on the date of transition to Ind AS i.e. on April 1, 2015)	Gross block	Accumulated depreciation	Net block
Description			
Land	27,817.79	3,409.21	24,408.58
Buildings	24,693.24	1,880.36	22,812.88
Plant and equipments	8,767.10	5,289.57	3,477.53
<b>Total</b>	<b>61,278.13</b>	<b>10,579.14</b>	<b>50,698.99</b>

- (ix) The title deeds of immovable property amounting to ₹ 27,962.89 lacs are pledged with bank against borrowings taken by the Company and are not physically available with the Company. The Company has also constructed building on such land having net block of ₹19,331.92 lacs.



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**DLF Promenade Limited**  
**Notes to the financial statements for the year ended March 31, 2020**  
*(All amounts in ₹ lacs, unless otherwise stated)*

	Non Current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>5 Loans</b>				
<i>(Unsecured, considered good unless otherwise stated)</i>				
Security deposits	69.99	69.99	-	-
	69.99	69.99	-	-

	Non Current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>6 Other financial assets</b>				
Other bank balance *	921.04	-	-	1,403.60
Interest accrued on	-	-	-	-
Security deposit	-	-	4.63	4.40
	921.04	-	4.63	1,408.00

\* Non current portion of other bank balance represents deposits (including interest accrued) with original maturity of 12 months held by the entity that are not available for use by the Company, as these deposits are pledged with the bank to fulfil the collateral requirements of NCDs issued by the Company. As per management, although the original maturity is for 12 months but it will be renewed and held until maturity of the NCDs and thus presented under non-current assets.

	March 31, 2020	March 31, 2019
<b>7 Deferred tax assets (net)</b>		
Deferred tax assets arising on account of:		
Brought forward losses *	1,092.02	2,233.43
Financial assets measured at amortised cost	(0.06)	(0.06)
	1,091.96	2,233.37
Deferred tax liabilities arising on account of:		
Deduction claimed under section 24(b) of the Income tax Act, 1961.	(1,210.58)	(1,275.57)
Financial liability measured at amortised cost	(11.64)	(28.07)
	(1,222.22)	(1,303.64)
<b>Minimum alternate tax credit *</b>	1,456.63	718.78
	1,326.37	1,648.51

\* In accordance with IND AS- 12 "Income Taxes", the Company has created deferred tax asset on brought forward losses since in lieu of management's approved future cash projections, it is probable that future taxable profit will be available against which the same will be utilised. Further based on projections approved by Board, the Company believes that MAT Credit Entitlement of ₹ 1,456.63 lacs (March 31, 2019: ₹ 718.78 lacs) is fully recoverable.

**Movement in deferred tax assets**

Particulars	April 1, 2019	Recognised in profit and loss and retained earnings	March 31, 2020
<b>Assets</b>			
Investment property	(1,275.57)	64.99	(1,210.58)
Unused tax losses	2,233.43	(1,141.41)	1,092.02
Financial assets measured at amortised cost	(0.06)	-	(0.06)
<b>Liabilities</b>			
Financial liability measured at amortised cost	(28.07)	16.43	(11.64)
<b>Minimum alternate tax credit</b>	718.78	737.85	1,456.63
<b>Net</b>	1,648.51	(322.14)	1,326.37

**Movement in deferred tax assets**

Particulars	April 1, 2018	Recognised in profit and loss	March 31, 2019
<b>Assets</b>			
Investment property	(1,254.72)	(20.85)	(1,275.57)
Unused tax losses	2,900.63	(667.20)	2,233.43
Financial assets measured at amortised cost	(0.06)	-	(0.06)
<b>Liabilities</b>			
Financial liability measured at amortised cost	(23.88)	(4.19)	(28.07)
<b>Minimum alternate tax credit</b>	134.97	583.81	718.78
<b>Net</b>	1,756.94	(108.43)	1,648.51

	March 31, 2020	March 31, 2019
<b>8 Non current tax assets (net)</b>		
Advance income tax (net of provisions for tax)	2,236.15	1,875.29
	2,236.15	1,875.29

	Non Current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>9 Other assets</b>				
Advance to suppliers	-	3.99	65.17	59.52
Balance with government authorities	-	-	37.56	14.26
Prepaid expenses	-	-	86.04	49.67
Unbilled receivables	-	-	30.89	-
Other assets	-	-	12.98	-
	-	3.99	232.64	123.45





DLF Promenade Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2020	March 31, 2019		
<b>10 Trade receivables</b>				
Related parties (refer note 36)				
Secured, considered good	69.53	100.45		
Unsecured, considered good	45.16	99.60		
<b>Others</b>				
Secured, considered good	343.63	596.18		
Unsecured				
Considered good	166.50	170.32		
Considered doubtful	37.45	16.69		
	662.27	983.24		
	(37.45)	(16.69)		
	624.82	966.55		
Less : Allowance for expected credit loss				
	March 31, 2020	March 31, 2019		
<b>11 Cash and cash equivalents</b>				
Balances with banks				
In current account	1,507.68	18.11		
In escrow account (held as margin money as security against borrowings)	-	627.38		
	1,507.68	645.49		
<b>11.1 Changes in financial liabilities arising from financing activities</b>				
	April 1, 2019	Cash flows Charged to Statement of Profit & Loss	March 31, 2020	
Non - convertible debentures (including interest)	37,468.46	(3,221.23)	3,798.02	38,045.25
Loan from related parties (including interest)	3,246.82	(3,481.06)	234.24	-
Total liabilities from financing activities	40,715.28	(6,702.29)	4,032.26	38,045.25
	April 1, 2018	Cash flows Charged to Statement of Profit & Loss	March 31, 2019	
Non - convertible debentures (including interest)	37,647.70	(4,722.57)	4,543.33	37,468.46
Loan from related parties (including interest)	6,700.38	(4,030.09)	576.53	3,246.82
Total liabilities from financing activities	44,348.08	(8,752.66)	5,119.86	40,715.28
			March 31, 2020	March 31, 2019
<b>12 Other bank balances</b>				
Deposits with original maturity more than 3 months but less than 12 months			2,074.97	261.73
			2,074.97	261.73

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**DLF Promenade Limited**
**Notes to the financial statements for the year ended March 31, 2020**
*(All amounts in ₹ lacs, unless otherwise stated)*

	March 31, 2020		March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
<b>13 Share capital</b>				
<b>13.1 Equity Share Capital</b>				
(a) <b>Authorised equity share capital</b>				
Equity shares of ₹ 10 each	65,21,500	652.15	65,21,500	652.15
	<b>65,21,500</b>	<b>652.15</b>	<b>65,21,500</b>	<b>652.15</b>
(b) <b>Issued, subscribed and paid up</b>				
Equity shares of ₹ 10 each	65,21,500	652.15	65,21,500	652.15
	<b>65,21,500</b>	<b>652.15</b>	<b>65,21,500</b>	<b>652.15</b>
(i) <b>Reconciliation of number of equity shares outstanding at the beginning and at the end of the year</b>				
At the beginning of the year	65,21,500	652.15	65,21,500	652.15
Issued/(redeemed) during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>65,21,500</b>	<b>652.15</b>	<b>65,21,500</b>	<b>652.15</b>

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

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

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

Name of the shareholder	March 31, 2020		March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity Shares				
DLF Cyber City Developers Limited, holding company and its nominees	65,21,500	100.00%	65,21,500	100.00%

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

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

	March 31, 2020		March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
<b>13.2 Preference Share Capital</b>				
<b>Authorised preference share capital</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	4,000	4.00	4,000	4.00
	<b>4,100</b>	<b>4.10</b>	<b>4,100</b>	<b>4.10</b>

**14 Other equity**

	March 31, 2020	March 31, 2019
Reserves and surplus		
Securities premium	14,323.75	14,323.75
Debenture redemption reserve	3,733.92	3,422.96
General reserve	159.37	-
Retained earnings	(3,732.23)	(6,719.64)
	<b>14,484.81</b>	<b>11,027.07</b>

**Nature and purpose of other reserves**
**Securities premium**

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

**Debenture redemption reserve**

The Company is required to create debenture redemption reserve out of the profits which will be used for redemption of debentures.

**General reserve**

The Company has transferred the balance lying in debenture redemption reserve to general reserve amounting to ₹ 3,893.29 lacs at the time of redemption of 10,90% non-convertible debentures in June 2019 (refer note 38).

Further, the Company has created debenture redemption reserve @10% of the outstanding balance of non-convertible debentures amounting to ₹ 3,733.92 lacs by utilising the balance lying in general reserve (refer note 38).





**DLF Promenade Limited**

**Notes to the financial statements for the year ended March 31, 2020**

(All amounts in ₹ lacs, unless otherwise stated)

	Non Current borrowings		Current borrowings	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>15 Borrowings</b>				
9 <sup>th</sup> Non convertible debentures (secured) (refer 15.1.1)	37,004.86	-	-	-
10 <sup>th</sup> Non convertible debentures (secured) (refer 15.1.2)*	-	37,334.08	-	-
<b>Loan from related party (unsecured)</b>				
Loan from DLF Assets Limited (formerly DLF Assets Pvt. Ltd.) (refer 15.2)	-	-	-	2,743.00
	<b>37,004.86</b>	<b>37,334.08</b>	<b>-</b>	<b>2,743.00</b>
<b>Less : Disclosed under other financial liabilities (refer note 19)</b>	<b>(1,341.25)</b>	<b>(37,334.08)</b>	<b>-</b>	<b>-</b>
	<b>35,663.61</b>	<b>-</b>	<b>-</b>	<b>2,743.00</b>

\* based on early redemption date.

**15.1.1 Repayment terms and security disclosure for the outstanding long term borrowings (excluding current maturities) as on March 31, 2020 :**

76 unlisted, secured, redeemable, 9.00% Non Convertible Debentures ("NCDs") of ₹ 5,00,00,000 each referred above to the extent of ₹ 35,663.62 lacs (March 31, 2019: ₹ Nil) carry floating rate of interest and repayable in 15 semi annual installments wherein the final redemption date is June 10, 2028. Further, these debentures are redeemable both at the option of NCD holders and the Company at the expiry 3/6 years from the date of allotment after giving a notice period of 15 days.

These debentures of ₹ 37,004.86 lacs (non-current: ₹ 35,663.62 lacs and current ₹ 1,341.25 lacs) (March 31, 2019: ₹ Nil) are secured by way of the following :

- Equitable mortgage on the immovable property situated at New Delhi, owned by the Company
- Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- Fixed deposits pledged with bank.
- Corporate Guarantee from DLF Cyber City Developers Limited.

**15.1.2 3750 listed, secured, redeemable, 3750 Non Convertible Debentures of ₹ 1,000,000 each referred above to the extent of :-**

₹ Nil (March 31, 2019: ₹ 37,334.08 lakhs) having coupon rate of 10.90% and the final redemption date is 11 December 2021 and date of redemption (based on early redemption date) is latest by 11 December 2019. The Company has exercised its right to redeem all the Debentures on 12 June 2019.

These debentures of ₹ Nil (March 31, 2019: ₹ 37,334.08 lacs (non-current: ₹ Nil and current ₹ 37,334.08 lacs)) is secured by way of :

- First pari passu charge on the immovable property situated at New Delhi, owned by the Company.
- Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- Pledge over the shareholding of Company.
- Fixed deposits pledged with debenture trustees.

**15.2 Loan outstanding amounting to ₹ Nil (March 31, 2019 ₹ 2,743 lacs) from related party is repayable on demand and carry interest @ 10.00% p.a.**

	Non-Current	
	March 31, 2020	March 31, 2019
<b>16 Other financial liabilities</b>		
Security deposits received from tenants	2,120.57	2,393.64
	<b>2,120.57</b>	<b>2,393.64</b>
<b>17 Other non current liabilities</b>		
Deferred income	351.01	1,083.29
	<b>351.01</b>	<b>1,083.29</b>
<b>18 Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	16.15	11.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	111.13	353.20
Related Parties (refer note 36)	605.88	444.19
Others	733.16	809.17
	<b>733.16</b>	<b>809.17</b>
<b>19 Other financial liabilities</b>		
Current maturities of long term debt (Non convertible debentures) (refer note 15)	1,341.25	37,334.08
Interest accrued and not due on borrowings	1,040.38	134.38
Interest accrued and due on borrowings (refer note 36)	-	503.82
Security deposit received from tenants	2,640.58	1,384.71
Capital creditors	6.07	56.19
Other payable	9.16	5.51
	<b>5,037.44</b>	<b>39,418.69</b>
<b>20 Other current liabilities</b>		
Deferred income	280.52	310.30
Advance from customers	77.67	37.70
Statutory dues payable	140.27	183.85
	<b>498.46</b>	<b>531.85</b>



**DLF Promenade Limited**

Notes to the financial statements for the year ended March 31, 2020

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2020	March 31, 2019
<b>21 Revenue from operations</b>		
Operating revenue		
Rental income *	10,883.78	10,338.04
Revenue from contract with customers		
Disaggregated revenue information		
Service income	3,790.08	3,924.77
Parking income	440.90	447.33
Promotional income	701.78	523.58
Amount forfeited on properties	42.40	0.68
Others	-	0.50
Total revenue from contracts with customers	4,975.16	4,896.66
	<b>15,858.94</b>	<b>15,234.70</b>

\* It includes ₹ 231.37 lacs (March 31, 2019: ₹ 301.00 lacs) income on account of financial liability measured at amortised cost and ₹ 20.39 lacs (March 31, 2019: Nil) on account of straight lining.

During the current year, rental income of ₹ 368.57 lacs (March 31, 2019: Nil) has not been recognised on account of lack of certainty of collection of lease payments from the lessees.

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

	March 31, 2020	March 31, 2019
<b>a. Timing of revenue recognition</b>		
Revenue recognised over period of time	4,932.76	4,896.66
Revenue recognised at a point of time	42.40	0.68
	<b>4,975.16</b>	<b>4,897.34</b>
<b>b. Contract balances</b>		
Trade receivable from contracts with customers	390.91	321.75
Contract assets	-	-
Contract liabilities	5.04	0.58

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

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

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

**c. Significant changes in contract assets and contract liabilities during the year**

	March 31, 2020	March 31, 2019
<b>Movement of contract liabilities</b>		
Amounts included in contract liabilities at the beginning of the year	0.58	82.49
Amount received / adjusted against contract liabilities during the year	12.13	(85.03)
Revenue recognised from performance obligations satisfied in previous years	(7.67)	3.12
Amounts included in contract liabilities at the end of the year	5.04	0.58

**d. Set out below is the amount of revenue recognised from:**

	March 31, 2020	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in previous years	(7.67)	3.12

**e. Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price**

	March 31, 2020	March 31, 2019
Revenue as per contract price	4,975.16	4,897.34
Adjustment (if any)	-	-
	<b>4,975.16</b>	<b>4,897.34</b>

**f. Performance obligation**

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

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

**22 Other income**

	March 31, 2020	March 31, 2019
Interest income on		
Bank deposits	211.72	164.10
Others	13.96	28.89
Unclaimed balances written back	4.85	0.40
Miscellaneous income	0.57	0.84
	<b>231.10</b>	<b>194.23</b>





DLF Promenade Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2020	March 31, 2019
<b>23 Finance costs</b>		
Interest expense on		
Non convertible debentures	3,798.02	4,543.32
Loans from related parties	234.24	576.53
Financial liability measured at amortised cost	233.03	276.18
Guarantee and bank charges	0.62	3.37
	<b>4,265.91</b>	<b>5,399.40</b>
<b>24 Depreciation expense</b>		
Depreciation on property, plant and equipment	11.06	4.32
Depreciation on Investment property	1,207.93	1,172.69
	<b>1,218.99</b>	<b>1,177.01</b>
<b>25 Other expenses</b>		
Rates and taxes	159.19	106.15
Advertisement and publicity	630.39	580.94
Electricity, fuel and water	1,577.77	1,560.20
Repair and maintenance - building	32.57	186.05
Corporate social responsibility expense (refer note 35)	57.20	34.30
Repair and maintenance - others	237.17	237.74
Director's sitting fees	4.49	5.98
Commission & brokerage	-	9.29
Legal and professional fees	77.60	69.92
Facility maintenance expenses	2,171.01	2,039.84
Heating, ventilation and air-conditioning	758.44	691.19
Payment to auditors (refer note 25.1)	25.13	29.72
Business support charges	149.76	121.82
Provision for doubtful debts	20.76	-
Loss on sale of investment property	31.72	-
Loss on pre settlement/ modification of financial liability (net)	86.82	10.44
Miscellaneous expenses	11.15	0.51
	<b>6,031.17</b>	<b>5,684.09</b>
<b>25.1 Auditor's remuneration*</b>		
Audit fees (including limited reviews)	20.00	20.00
Tax audit fees	3.50	7.00
Reimbursement of expenses	1.63	2.72
	<b>25.13</b>	<b>29.72</b>

\* exclusive of applicable taxes

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**DLF Promenade Limited**

Notes to the financial statements for the year ended March 31, 2020

(All amounts in ₹ lacs, unless otherwise stated)

	March 31, 2020	March 31, 2019
26 Tax expense		
Current tax	804.66	689.32
Minimum alternate tax credit entitlement	(737.85)	(583.81)
Deferred tax charge	1,057.78	692.24
	<b>1,124.59</b>	<b>797.95</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 27.82% (March 31, 2019: 29.12%) and the reported tax expense in profit or loss are as follows:

Particulars	March 31, 2020	March 31, 2019
Accounting profit before income tax	4,373.97	3,168.43
At statutory income tax rate of 27.82% (March 31, 2019: 29.12%) (A)	1,272.48	881.46
Adjustments		
Non deductible expense for tax purposes:		
Expenses relating to income chargeable under "Income under the head House Property" and "Profit and Gains from Business and Profession"	749.63	809.10
Expenses allowable for tax purposes:		
Standard deduction under section 24(a) of Income Tax Act, 1961	(881.28)	(834.18)
Others		
Difference due to change in tax rate	50.96	34.88
Deferred tax on unamortised pre construction interest	(64.99)	(93.31)
Others	(2.21)	-
Total adjustment (B)	(147.89)	(83.51)
Income tax expenses recognised in the books (A+B)	<b>1,124.59</b>	<b>797.95</b>

The Company continues to pay income tax under older tax regime and have not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 considering the accumulated MAT credit, losses and other benefits under the Income Tax Act, 1961. The Company plans to opt for lower tax regime once these benefits are utilised.

27 Earnings per equity share	March 31, 2020	March 31, 2019
Earnings attributable to equity shareholders	3,449.38	2,370.48
Weighted average number of equity shares outstanding (in numbers)	65,21,500	65,21,500
Nominal value of equity share (₹)	10.00	10.00
Earning per equity share (₹)		
-Basic	52.89	36.35
-Diluted	52.89	36.35

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28 Fair value disclosures

i) Fair values hierarchy

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

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

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

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

(ii) Valuation technique used to determine fair value

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

(iii) Financial instruments by category

Particulars	March 31, 2020			March 31, 2019		
	Level	Carrying value	Amortised cost	Level	Carrying value	Amortised cost
<b>Financial assets</b>						
Security deposit	Level 3	69.99	69.99	Level 3	69.99	69.99
Fixed deposit	Level 3	921.04	921.04	Level 3	-	-
<b>Total</b>		<b>991.03</b>	<b>991.03</b>		<b>69.99</b>	<b>69.99</b>
<b>Financial liabilities</b>						
Borrowings including interest	Level 3	38,045.24	38,045.24	Level 3	37,468.46	37,468.46
Security deposit	Level 3	4,761.15	4,761.15	Level 3	3,778.35	3,778.35
Other financial liabilities	Level 3	6.07	6.07	Level 3	56.19	56.19
<b>Total</b>		<b>42,812.46</b>	<b>42,812.46</b>		<b>41,303.00</b>	<b>41,303.00</b>

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

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

29 Financial risk management

i) Financial instruments by category

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

Particulars	March 31, 2020	March 31, 2019
	Amortised cost	Amortised cost
<b>Financial assets</b>		
Trade receivables	624.82	966.55
Security deposit	69.99	69.99
Cash and cash equivalents	1,507.68	645.49
Other bank balances	2,074.97	261.73
Other Financial assets	925.67	1,408.00
<b>Total</b>	<b>5,203.13</b>	<b>3,351.76</b>
<b>Financial liabilities</b>		
Borrowings including interest	38,045.24	40,715.28
Trade payable	733.16	809.17
Security deposit	4,761.15	3,778.35
Other financial liabilities	15.23	61.70
<b>Total</b>	<b>43,554.78</b>	<b>45,364.50</b>

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## ii) Risk Management

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

## A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers & other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized 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

## 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, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Other financial assets	12 month expected credit loss/life time expected credit loss
High credit risk	Trade receivables	Life time expected credit loss

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

## Assets under credit risk –

Credit rating	Particulars	March 31, 2020	March 31, 2019
A: Low credit risk	Cash and cash equivalents, other bank balances, trade receivables and other financial assets	5,133.14	3,281.77
B: Moderate credit risk	Other financial assets	-	-
C: High credit risk	Trade receivables	37.45	16.69

## b) Credit risk exposure

## Provision for expected credit losses

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

## March 31, 2020

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of provision
Trade receivables	662.27	37.45	624.82
Cash and cash equivalents	1,507.68	-	1,507.68
Other financial assets	925.67	-	925.67
Other bank balances	2,074.97	-	2,074.97

## March 31, 2019

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of provision
Trade receivables	983.24	16.69	966.55
Cash and cash equivalents	645.49	-	645.49
Other financial assets	1,408.00	-	1,408.00
Other bank balances	261.73	-	261.73

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

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

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





**B) Liquidity risk**

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

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

**Maturities of financial liabilities**

The 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.

March 31, 2020	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings including interest	4,722.57	19,898.50	35,344.25	59,965.32
Trade payable	733.16	-	-	733.16
Security deposits	2,688.97	2,358.18	368.91	5,416.06
Other financial liabilities	6.07	-	-	6.07
<b>Total</b>	<b>8,150.77</b>	<b>22,256.68</b>	<b>35,713.16</b>	<b>66,120.61</b>

March 31, 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings including interest	41,687.50	-	-	41,687.50
Trade payable	809.17	-	-	809.17
Security deposits	1,406.33	2,326.79	1,530.29	5,263.41
Other financial liabilities	56.19	-	-	56.19
<b>Total</b>	<b>43,959.19</b>	<b>2,326.79</b>	<b>1,530.29</b>	<b>47,816.27</b>

**C) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

**Interest rate risk**

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

**i) Liabilities**

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

**ii) Assets**

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

**30 Capital management****Risk management**

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

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

Particulars	March 31, 2020	March 31, 2019
Total Borrowings including interest accrued	38,043.24	40,715.28
Less : Cash and cash equivalent	(1,507.68)	(645.49)
<b>Net debt</b>	<b>36,537.56</b>	<b>40,069.79</b>
Total equity	15,136.96	11,679.22
<b>Net debt to equity ratio</b>	<b>2.41</b>	<b>3.43</b>



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

Particulars	March 31, 2020	March 31, 2019
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	16.15	11.78
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

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

- 32 Segment reporting

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

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

## Claim against the company not acknowledged as debts

Particulars	March 31, 2020	March 31, 2019
Service tax demand (for financial year 2007-12)	692.00	692.00

During the earlier years, the Company had received an order from Commissioner of Service tax demanding service tax liability amounting to Rs ₹ 692.00 lacs and interest thereon on account of denial/recovery of CENVAT credit on construction services utilized against provision of rental services for the financial year 2007-08 to 2011-12 against which the Company had filed an appeal along with stay application with Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

During the current year, CESTAT has passed the order in favour of the Company. Further, there is no intimation as to whether the department has filed further appeal with the High Court. However, the Company on a conservative basis, has disclosed the said amount as contingent liability.

## Guarantees

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

## Capital commitments

Estimated amount of commitments on capital account as on March 31, 2020 is ₹ 85.81 lacs (March 31, 2019 ₹ 24.11 lacs).

- 34 In the opinion of the board of directors, current assets and other financial assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions of all known liabilities have also been made.
- 35 In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was required to spend a sum of ₹ 57.20 lacs (March 31, 2019: ₹ 34.30 lacs) towards CSR activities during the year ended March 31, 2020. The details of amount actually paid by the Company to DLF Qutab Enclave Complex Educational Charitable Trust (March 31, 2019 : Lal Chand Public Charitable Trust and Shree Mahavir Ji Trust) are (refer note 36):

	Amount Paid	Amount yet to be Paid	Total
March 31, 2020 :			
Donation made for construction/ acquisition of assets	-	-	-
Donation made for education.	57.20	-	57.20
March 31, 2019 :			
Donation made for construction/ acquisition of assets	-	-	-
Donation made for education.	34.30	-	34.30

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

i) Related parties where control exists

a) Holding Company

DLF Cyber City Developers Limited

b) Entity having joint control over the holding company

DLF Limited

Reco Diamond Private Limited

c) Additional related party as per the Companies Act, 2013

Holding company of the entity having joint control over the Company's holding company  
Rajdham Investments & Agencies Private Limited

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

a) Entity having joint control over the holding company

DLF Limited

b) Fellow subsidiary companies

DLF Power & Services Limited

DLF Assets Limited (formerly DLF Assets Private Limited)

Richmond Park Property Management Services Limited

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

DLF Emporio Restaurants Limited

DLF Universal Limited

Lodhi Property Company Limited

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

DLF Brands Limited

Rod Retail Private Limited

Kapo Retail Private Limited

Solange Retail Private Limited

Kiko Cosmetics Retail Private Limited

Cloteq Apparels Private Limited

Lal Chand Public Charitable Trust

Shree Mahavir Ji Trust

DLF Qutab Enclave Complex Education Charitable Trust

Jubilant Consumer Private Limited

Mr. Raj Kumar Jain (Nominee director till July 17, 2019)

Mr. Santosh Kumar Garg (Independent director till July 23, 2019)

Mr. Surinder Singh Chawla (Independent director till July 23, 2019)

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

Description	Holding Company		Entity having joint control over the holding company		Fellow subsidiaries		Subsidiary of entity having joint control over the holding company		Key managerial personnel (KMP) or employees under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
<b>Rental Income</b>												
DLF Universal Limited	-	-	-	-	-	-	41.48	221.65	-	-	41.48	221.65
DLF Brands Private Limited	-	-	-	-	-	-	-	-	54.77	70.40	-	70.40
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	95.69	98.76	-	98.76
Rod Retail Private Limited	-	-	-	-	-	-	-	-	74.63	71.09	-	71.09
Choisy Apparels Private Limited	-	-	-	-	-	-	-	-	35.31	34.51	-	34.51
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	14.03	-	-	-
<b>Rental income not recognised due to lack of certainty of collection of lease payments (refer note 21)</b>												
DLF Universal Limited	-	-	-	-	-	-	2.81	-	-	-	2.81	-
DLF Brands Private Limited	-	-	-	-	-	-	-	-	1.39	-	-	-
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	4.53	-	-	-
Rod Retail Private Limited	-	-	-	-	-	-	-	-	2.61	-	-	-
Choisy Apparels Private Limited	-	-	-	-	-	-	-	-	1.54	-	-	-
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	0.60	-	-	-
<b>Service income</b>												
DLF Power & Services Limited	-	-	-	-	49.91	455.19	-	-	-	-	49.91	455.19
DLF Universal Limited	-	-	-	-	-	-	6.95	366.53	-	-	6.95	366.53
DLF Brands Private Limited	-	-	-	-	-	-	-	-	13.00	14.42	-	14.42
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	19.04	18.35	-	18.35
Rod Retail Private Limited	-	-	-	-	-	-	-	-	13.29	12.85	-	12.85
Choisy Apparels Private Limited	-	-	-	-	-	-	-	-	7.27	7.11	-	7.11
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	8.93	-	-	-
<b>Promotional Income</b>												
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	0.41	-	0.41	-
<b>Delayed Interest Income</b>												
DLF Universal Limited	-	-	-	-	-	-	-	0.98	-	-	-	0.98
DLF Brands Private Limited	-	-	-	-	-	-	-	-	4.68	8.81	-	8.81
Rod Retail Private Limited	-	-	-	-	-	-	-	-	0.05	-	-	0.05
Choisy Apparels Private Limited	-	-	-	-	-	-	-	-	0.91	-	-	0.91
<b>Interest expense on loan from related party</b>												
DLF Cyber City Developers Limited	22.15	5.42	-	-	-	-	-	-	-	-	22.15	5.42
DLF Assets Limited	-	-	-	-	212.09	571.11	-	-	-	-	212.09	571.11
<b>Interest expense on financial liability measured at amortised cost</b>												
DLF Universal Limited	-	-	-	-	-	-	1.18	-	-	-	1.18	-
DLF Brands Private Limited	-	-	-	-	-	-	-	-	1.83	15.07	-	15.07
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	3.72	-	-	3.72
Rod Retail Private Limited	-	-	-	-	-	-	-	-	0.02	-	-	-
Choisy Apparels Private Limited	-	-	-	-	-	-	-	-	0.95	0.30	-	0.30
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	0.16	-	-	-
<b>Advertisement and publicity</b>												
DLF Power & Services Limited	-	-	-	-	53.53	41.22	-	-	-	-	53.53	41.22
Lodha Property Company Limited	-	-	-	-	-	-	0.18	-	-	-	0.18	-
DLF Emporio Restaurants Limited	-	-	-	-	-	-	0.30	12.89	-	-	0.30	12.89
Reichman Park Property Management Services Limited	-	-	-	-	82.24	66.27	-	-	-	-	82.24	66.27





Description	Holding Company		Entity having joint control over the holding company		Fellow subsidiaries		Subsidiary of entity having joint control over the holding company		Key managerial personnel (KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
Electricity, fuel and water	-	-	-	-	166.41	167.58	-	-	-	-	166.41	167.58
DLF Power & Services Limited	-	-	-	-	-	-	-	-	-	-	1.53	3.05
DLF Limited	-	-	1.53	3.05	-	-	-	-	-	-	-	-
Repair and maintenance - building	-	-	-	-	-	159.52	-	-	-	-	-	159.52
DLF Power & Services Limited	-	-	-	-	-	-	-	-	-	-	-	-
Repair and maintenance - others	-	-	-	-	179.44	180.05	-	-	-	-	179.44	180.05
DLF Power & Services Limited	-	-	-	-	-	-	-	-	-	-	-	-
Facility maintenance expenses	-	-	-	-	2,223.18	2,076.53	-	-	-	-	2,223.18	2,076.53
DLF Power & Services Limited	-	-	-	-	-	-	-	-	-	-	-	-
Heating, ventilation and air conditioning	-	-	-	-	-	-	-	-	-	-	-	-
DLF Power & Services Limited	-	-	-	-	755.92	689.36	-	-	-	-	755.92	689.36
Business support charges	-	-	-	-	-	-	-	-	-	-	-	-
DLF Power & Services Limited	-	-	-	-	147.57	139.53	-	-	-	-	147.57	139.53
Corporate social responsibility expense	-	-	-	-	-	-	-	-	-	-	-	-
Lal Chaud Public Charitable Trust	-	-	-	-	-	-	-	-	-	-	-	-
Shree Mahaveer Ji Trust	-	-	-	-	-	-	-	-	-	-	-	-
DLF Qutab Enclave Complex Education Charitable Trust	-	-	-	-	-	-	-	-	-	-	-	-
Property tax recovery	-	-	-	-	-	-	0.76	10.64	-	-	0.76	10.64
DLF Universal Limited	-	-	-	-	-	-	-	-	-	-	-	-
DLF Brands Private Limited	-	-	-	-	-	-	1.64	0.92	1.64	0.92	-	-
Real Retail Private Limited	-	-	-	-	-	-	1.58	0.78	1.58	0.78	-	-
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	2.15	1.06	2.15	1.06	-	-
Cherry Apparels Private Limited	-	-	-	-	-	-	0.99	0.49	0.99	0.49	-	-
Robant Consumer Private Limited	-	-	-	-	-	-	1.16	-	1.16	-	-	-
Director's sitting fees	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Raj Kumar Jain	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sanjay Kumar Garg	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sunder Singh Chawla	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Assets	-	-	-	-	-	-	-	-	-	-	-	-
DLF Universal Limited	-	-	-	-	-	-	49.05	-	-	-	49.05	-
Loan taken	-	-	-	-	-	-	-	-	-	-	-	-
DLF Cyber City Developers Limited	1,500.00	-	-	-	-	-	-	-	-	-	1,500.00	-
DLF Assets Limited	-	-	-	-	4,500.00	-	-	-	-	-	4,500.00	-
Loan repaid	-	-	-	-	-	-	-	-	-	-	-	-
DLF Cyber City Developers Limited	1,500.00	700.00	-	-	-	-	-	-	-	-	1,500.00	700.00
DLF Asset Limited	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	7,243.09	3,123.00	-	-	-	-	7,243.09	3,123.00

Terms and conditions of transactions with related parties:  
4. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.



(v) Balances at year end

Description	Holding Company		Entity having joint control over the holding company		Fellow subsidiaries		Subsidiary of entity having joint control over the holding company		Key managerial personnel (KMP) or enterprises under the control of KMP of entities having joint control over the holding company or their relatives at any time during the year		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
Security deposits received	-	-	-	-	-	-	139.51	109.31	-	-	139.51	109.31
DLF Universal Limited	-	-	-	-	-	-	-	-	-	-	-	-
DLF Brands Private Limited	-	-	-	-	-	-	-	-	63.93	54.38	63.93	54.38
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	60.55	36.08	60.55	36.08
Rod Retail Private Limited	-	-	-	-	-	-	-	-	17.93	17.66	17.93	17.66
Schlage Retail Private Limited	-	-	-	-	-	-	-	-	1.20	1.20	1.20	1.20
Choreq Apparels Private Limited	-	-	-	-	-	-	-	-	9.82	8.50	9.82	8.50
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	8.98	-	8.98	-
Deferred income	-	-	-	-	-	-	-	-	-	-	-	-
DLF Universal Limited	-	-	-	-	-	-	6.82	-	-	-	6.82	-
DLF Brands Private Limited	-	-	-	-	-	-	-	-	2.23	11.49	2.23	11.49
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	15.31	-	15.31	-
Choreq Apparels Private Limited	-	-	-	-	-	-	-	-	0.61	1.53	0.61	1.53
Rod Retail Private Limited	-	-	-	-	-	-	-	-	2.94	-	2.94	-
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	1.51	-	1.51	-
Loan taken	-	-	-	-	-	-	-	-	-	-	-	-
DLF Assets Limited	-	-	-	-	-	-	-	-	-	-	-	-
DLF Assets Limited	-	-	-	-	2,743.00	-	-	-	-	-	-	2,743.00
Interest accrued but not due	-	-	-	-	-	-	-	-	-	-	-	-
DLF Assets Limited	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables (including receivables pertaining to revenue not recognised due to lack of certainty of collection of lease payments)	-	-	-	-	303.82	-	-	-	-	-	-	303.82
DLF Universal Limited	-	-	-	-	-	-	12.32	20.37	-	-	12.32	20.37
DLF Brands Private Limited	-	-	-	-	-	-	-	-	18.99	112.16	18.99	112.16
Kolor Cosmetics Retail Private Limited	-	-	-	-	-	-	-	-	13.65	4.96	13.65	4.96
Rod Retail Private Limited	-	-	-	-	-	-	-	-	42.48	41.25	42.48	41.25
Choreq Apparels Private Limited	-	-	-	-	-	-	-	-	6.90	1.48	6.90	1.48
DLF Power & Services Limited	-	-	-	-	20.34	12.57	-	-	-	-	20.34	12.57
Jubilant Consumer Private Limited	-	-	-	-	-	-	-	-	7.06	-	7.06	-
Advance from customers	-	-	-	-	-	-	-	-	-	-	-	-
Kolor Retail Private Limited	-	-	-	-	-	-	-	-	0.53	0.53	0.53	0.53
Trade payables	-	-	-	-	-	-	-	-	-	-	-	-
DLF Power & Services Limited	-	-	-	-	100.30	333.90	-	-	-	-	100.30	333.90
Richmond Park Property Management Services Limited	-	-	-	-	9.94	5.93	-	-	-	-	9.94	5.93
DLF Espanso Restaurants Limited	-	-	-	-	-	-	0.40	13.38	-	-	0.40	13.38
DLF Limited	-	-	-	0.29	-	-	-	-	-	-	-	-
Lochin Property Company Limited	-	-	-	-	-	-	0.20	-	-	-	0.20	-
Bank Guarantee	-	-	-	-	-	-	-	-	-	-	-	-
DLF Limited	-	-	-	149.70	-	-	-	-	-	-	149.70	-
Share capital	-	-	-	-	-	-	-	-	-	-	-	-
DLF Cyber City Developers Limited	652.15	652.15	-	-	-	-	-	-	-	-	652.15	652.15





**DLF Promenade Limited**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2020**

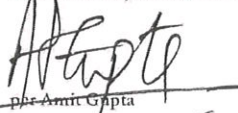
*(All amounts in ₹ lacs, unless otherwise stated)*

- 37 During the current year, the Company has charged the Common Area Maintenance ("CAM") revenue (included under the head "Revenue from Operations") from tenants on provisional basis, based on management's estimate of cost incurred. However, post the year-end, the Company will obtain an independent party certificate of actual expenditure incurred towards maintenance charges for the year ended March 31, 2020. The management believes that no material adjustments will arise in CAM revenue which will affect the current period financial statements.
- 38 In the earlier years, the Company had issued rated, listed, redeemable rupee denominated 10.90% Non-Convertible Debentures ("NCDs") amounting to ₹ 37,500 lacs of the face value of ₹10,00 lacs each on private placement basis for its general corporate purposes and refinancing of its then existing debt. These NCDs were secured by way of pari-passu charge on the immovable property owned by the Company and were to be redeemed on November 21, 2021, with an option available with the Company to redeem these NCDs at any time before the redemption date but not earlier than May 21, 2019.
- During the current year, the Company has exercised its right to redeem these NCDs on June 12, 2019 by delivering a prior written notice to the Debenture Trustee. Consequently, these NCDs have been delisted from Bombay Stock Exchange's (BSE) portal w.e.f. June 20, 2019. On date of redemption, the Company has transferred the balance lying in Debenture Redemption Reserve ("DRR") as at the said date to General Reserve.
- The redemption of above NCDs were financed out of proceeds received on issue of 76 unlisted, secured, redeemable rupee denominated Non-Convertible Debentures ("NCDs") amounting to ₹ 38,000 lacs of face value of ₹ 500 lacs each on June 10, 2019. The detailed terms of these NCDs are given in note 15.
- 39 In accordance with provisions of Ind AS 109 "Financial Instruments", the Company has accounted for modification of liability in respect of security deposits received from tenants due to change in estimated lease term and has accordingly, computed revised estimated value of the financial liability discounted at original effective interest rate and adjusted the difference between the existing value of liability and revised liability amounting to ₹ 86.82 lacs in the Statement of Profit and Loss.
- 40 The Company is engaged in the business of leasing and maintenance of shopping mall. Due to the outbreak of COVID-19 globally and in India, which was declared as a pandemic by the World Health Organisation ("WHO"), there is an unprecedented level of disruption on socio-economic front across the country. Globally, countries and businesses are under lockdown. Considering the severe health hazard associated with COVID-19 pandemic, the Government of India declared a lock down effective from March 25, 2020 which was initially till April 14, 2020 and later extended till May 31, 2020.
- Further, in compliance with the lockdown instructions issued by the Central and State Governments, the malls owned by the Company were impacted. The management based on best estimates, has anticipated and given effect to impact on trade receivable, unbilled revenue and valuation of the investment property, wherever applicable. The Company has assessed the possible effects on the carrying amounts of investment properties, receivables including unbilled receivables and other financial / non financial assets and liabilities based on various internal and external factors upto the date of approval of financial statements. The Company has performed sensitivity analysis on the assumptions used (in consultation with management's expert valuers) and based on current estimates, expects that the carrying amount of these assets will be recovered. Further, the management has made initial assessment of impact on business and financial risks on account of COVID-19.
- Basis above, management has estimated its future cash flows for the Company which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact on its ability to continue as going concern and meeting its liabilities as and when they fall due. However, due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.
- 41 There are no transactions of loans and advances to subsidiaries, associate firms/ companies in which directors are interested.
- 42 There are no loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years or no interest or interest below the prevailing bank rate as per section 186 of the Companies Act 2013.
- 43 The figures of previous year have been reclassified/ regrouped for better presentation in the financial statements and to conform to the current year's classifications/ disclosures.

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

Chartered Accountants

ICAI Firm's Registration No.: 301003E/ E300005

  
Partner

Membership Number: 501396



Place: Gurugram

Date: June 1, 2020

**For and on behalf of the Board of Directors**

**DLF Promenade Limited**

  
Pushpa Bector

Director

DIN - 02917318

  
Gurpreet Singh

Chief Financial Officer

  
Siddhartha Natu

Director & Manager

DIN - 08530713



Place: Gurugram

Date: June 1, 2020