



ANNUAL REPORT

2013-14

DLF PROMENADE LIMITED

CIN: U74920HR1999PLC034138

**REGD. OFFICE: SHOPPING MALL, PHASE - I, DLF CITY,
GURGAON - HARYANA - 122 002**

DLF PROMENADE LIMITED

(Formerly known as Beverly Park Maintenance Services Limited)
Regd. Office: Shopping Mall, Phase-I, DLF City, Gurgaon, Haryana-122 002
(CIN - U74920HR1999PLC034138) Website: www.dlfpromenade.com
Tel No.: 0124-4778121, Fax: 0124-4057414, Email: dlfpromenade@dlf.in

NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on Friday, August 22, 2014 at 10.30 A.M. at Registered Office of the Company at Shopping Mall, Phase – I, DLF City, Gurgaon, Haryana – 122 002 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the financial year ended on that date together with the reports of Directors and Auditors thereon.
2. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration. M/s Walker, Chandiook & Co LLP, the retiring Auditors are eligible 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 Ms. Dinaz Madhukar (DIN 03453167), who was appointed by the Board of Directors as Additional Director w.e.f. August 29, 2013, and who holds office pursuant to Section 161 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the provisions of the Articles of Association of the Company, up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing her candidature for the office of a Director pursuant to Section 160 of the Act from one of the shareholders of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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4. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“**RESOLVED THAT** Mr. Vivek Jhunjhunwala (DIN 02921778), who was appointed by the Board of Directors as Additional Director w.e.f. April 25, 2014, and who holds office pursuant to Section 161 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the provisions of the Articles of Association of the Company, up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director pursuant to Section 160 of the Act from one of the shareholders of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“**RESOLVED THAT** Mr. Ram Parkash Punjani (DIN 00050645), who was appointed by the Board of Directors as Additional Director w.e.f. April 25, 2014, and who holds office pursuant to Section 161 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the provisions of the Articles of Association of the Company, up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director pursuant to Section 160 of the Act from one of the shareholders of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**By order of the Board
For DLF Promenade Ltd.**

**Sd/-
C.S. Joshi
Company Secretary
Membership No. A29300
Address - WZ-496, Street No.-16,
Sadhnagar, Palam Colony,
New Delhi-110045**

**Date: 28.05.2014
Place: Gurgaon**

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NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HERSELF/HIMSELF IN ACCORDANCE WITH THE COMPANIES ACT, 2013. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED, STAMPED AND SIGNED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
3. The explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of special business set out above is annexed hereto and forms part of the notice.
4. A copy of the Notice of Annual General Meeting and Explanatory Statement and all other documents as referred above shall be open for inspection by the members during business hours on any working day at the registered office of the company and will also be available at the meeting.
5. The Statutory Registers shall be produced at the commencement of the meeting and shall also remain open and accessible for inspection during the continuance of the meeting.

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Form No. MGT-11

PROXY FORM

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

CIN: **U74920HR1999PLC034138**

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

Registered office: Shopping Mall, phase-I, DLF City, Gurgaon, Haryana
- 122002

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
2. Name:.....
Address:
E-mail Id:
Signature:..... , or failing him
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 15th Annual General Meeting of the company, to be held **on Friday, August 22, 2014 AT 10.30 a.m. at Registered Office of the Company at Shopping Mall, Phase – I, DLF City, Gurgaon, Haryana**

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– **122 002** and at any adjournment thereof in respect of such resolutions as are indicted below:

Resolution No.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

Signed this Day of..... 20.....

Signature of shareholder

Signature of Proxy holder (s)

Affix Re. 0.30 Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the company, not less than 48 hours before the commencement of the Meeting.

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

Item No. 3

The Board of Directors of your Company had co-opted Ms. Dinaz Madhukar and appointed her as additional Director of the Company with effect from August 29, 2013. As per the provisions of Section 161 of the Companies Act, 2013 (hereinafter referred to as "the act") read with the provisions of the Articles of Association of the Company, she will hold office of Director up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from one of the members of the Company along with requisite security amount proposing his candidature for the office of a Director pursuant to Section 160 of the Act.

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

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

None of the Directors, Key Managerial Personnels and their relatives except Ms. Dinaz Madhukar are concerned or interested in this resolution.

Item No. 4

The Board of Directors of your Company had co-opted Mr. Vivek Jhunjhunwala and appointed him as additional Director of the Company with effect from April 25, 2014. As per the provisions of Section 161 of the Companies Act, 2013 (hereinafter referred to as "the act") read with the provisions of the Articles of Association of the Company, he will hold office of Director up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from one of the members of the Company along with requisite security amount proposing his candidature for the office of a Director pursuant to Section 160 of the Act.

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

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

None of the Directors, Key Managerial Personnels and their relatives except Mr. Vivek Jhunhunwala are concerned or interested in this resolution.

Item No. 5

The Board of Directors of your Company had co-opted Mr. Ram Parkash Punjani and appointed him as additional Director of the Company with effect from April 25, 2014. As per the provisions of Section 161 of the Companies Act, 2013 (hereinafter referred to as "the act") read with the provisions of the Articles of Association of the Company, he will hold office of Director up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from one of the members of the Company along with requisite security amount proposing his candidature for the office of a Director pursuant to Section 160 of the Act.

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

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

None of the Directors, Key Managerial Personnels and their relatives except Mr. Ram Parkash Punjani are concerned or interested in this resolution.

**By order of the Board
For DLF Promenade Ltd.**

**Sd/-
C.S. Joshi
Company Secretary
Membership No. A29300
Address - WZ-496, Street No.-16,
Sadhnagar, Palam Colony,
New Delhi-110045**

**Date: 28.05.2014
Place: Gurgaon**

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DIRECTORS' REPORT

To The Members DLF Promenade Limited

Your Directors are pleased to present you the 15th Annual Report of your Company along with the Audited Statement of Accounts for the Financial Year ended 31st March, 2014.

(Amount in Rs.)

<u>Financial Results</u>	31.03.2014	31.03.2013
Revenue from operations	861,745,050	822,611,377
Other Income	13,968,264	7,592,427
Total Income	875,713,314	830,203,804
Expenditure(incl. Depreciation & Finance Cost)	952,389,180	924,541,162
Loss before tax	(76,675,866)	(94,337,358)
Tax Expenses:		
Deferred tax credit	58,372,535	86,114,347
Net Profit/(Loss)	(18,303,331)	(8,223,011)

Business Operations

Your Board has immense pleasure to inform you that during the year under review, revenue from operations has increased from Rs. 822,611,377 (previous year) to Rs. 861,745,050 (current year). Other income of the Company has increased from Rs. 7,592,427 in the last year to Rs. 13,968,264 in the current year. Your Company has incurred a net loss of Rs. 18,303,331/- as against a net loss of Rs. 8,223,011/- in the previous year. The Board of Directors is taking all necessary steps to accelerate the performance, minimize the losses and make it profitable Company.

Dividend

Your Directors, due to losses incurred during the year have not recommended any dividend on Shares for the financial year under review.

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Holding Company

Your Company is a subsidiary of DLF Cyber City Developers Limited and DLF Limited is the ultimate holding Company of your Company.

Subsidiary Company

Your Company does not have any subsidiary company.

Transfer to Reserve

Due to losses your Directors do not propose to transfer any amount to any reserve in the Balance Sheet for the financial year ended 31st March, 2014.

Directors

During the period, Ms. Dinaz Madhukar (DIN-03453167), Mr. Vivek Jhunjhunwala (DIN-02921778), Mr. R. P. Punjani (DIN -00050645), were appointed as Additional Directors. Mr. Davinder Dogra and Ms. Pushpa Bector resigned from the position of Director.

None of the Directors of the Company is disqualified under Section 274(1)(g) of the Companies Act, 1956 and 164 of the Companies Act, 2013.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of the Company confirms that-

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures from the same;
- ii) 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 for the financial year ended 31st March, 2014 and of the profit or loss of the Company for the year ended on that date;

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- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts of the Company for the financial year ended 31st March, 2014 on a 'going concern' basis."

Public Deposits

The Company has not accepted any deposit from the Public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

The Company has also not accepted any deposit from the Public within the meaning of Sections 2(31), 73 and 74 of the Companies Act, 2013 as on date of the Report.

Audit Committee

The composition of the audit committee consists of the following members:

- a. Ms. Dinaz Madhukar;
- b. Mr. Vivek Jhunjunwala;
- c. Mr. R. P. Punjani.

Mr. Vivek Jhunjunwala is the chairman of the Audit Committee.

Particulars of Employees

The Company has no employee whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

Auditors

M/s Walker, Chandiook & Co LLP, Chartered Accountants, the Statutory Auditors of the Company, holding office until the conclusion of the ensuing Annual General Meeting are eligible for re-appointment. The

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Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013. The Board of Directors recommends their re-appointment as Statutory Auditors of the Company.

Auditors' Report

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.

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

The information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are furnished in 'Annexure A' annexed hereto and forms part of this report.

Acknowledgement

The Board of Directors wishes to place on record their appreciation for the support and cooperation extended by the members of the company. The Directors are thankful to the State Governments, Govt. Departments, Bankers, Suppliers, Clients, tenants and Shareholders for their continued cooperation.

For and on behalf of the Board

Sd/-

Dinaz Madhukar
Director & Manager
DIN: 03453167
Flat no. 1102, Tower no. 5,
Belmonte Apartments,
DLF Golf Course Road,
Gurgaon-122002

Vivek Jhunjunwala
Director
DIN: 02921778
230, Sainik Farms,
Pragati Marg, W-8,
Lane, Western
Avenue, New Delhi-
110062

Place: Gurgaon

Dated: 28.05.2014

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ANNEXURE - 'A'

Disclosure of particulars u/s 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given as under:

A. CONSERVATION OF ENERGY:

a) Energy Conservation measures taken	Nil
b) Additional Investment and proposals, if any, being implemented for reduction of consumption of energy	Nil
c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact in the cost of production of goods	Nil
(d) Total energy consumption and energy consumption per unit of production as per Form-A of Annexure to the Rules in respect of industries specified in the schedule thereto.	Nil (Form A not applicable)

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per Form B of the Annexure to the Rules.

FORM B

Form for disclosure of particulars with respect to absorption

Research and development (R&D)

1.	Specific area in which R & D carried out by the company	None
2.	Benefits derived as results of the above R & D	N.A.
3.	Future plan of Action	None
4.	Expenditure on R & D	
	(a) Capital	Nil
	(b) Recurring	Nil
	(c) Total	Nil
	(d) Total R & D expenditure as a percentage of total turnover	Nil

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Technology absorption, adaptation and innovation

1.	Efforts, in brief made towards technology absorption, adaptation and innovation.	None
2.	Benefits derived as a results of the above efforts e.g product improvement, cost reduction, product development, import substitution etc.	N.A
3.	In case of imported technology (Imported during the last five years reckoned from the beginning of the financial year), following information may be furnished: (a) Technology imported (b) Year of import (c) Has technology been fully absorbed (d) If not fully absorbed, areas where this has not been taken place, reasons therefore and future plans of action.	N.A

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

a)	activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and Export plans;	No Export activities were being undertaken by the company for the period under consideration.
b)	Total foreign exchange used and earned:	(Rs.)
	Foreign Exchange Earned	2013-14 2012-13 NIL NIL
	Foreign Exchange Used	NIL NIL

For and on behalf of the Board

Dinaz Madhukar
Director & Manager
DIN: 03453167
Flat no. 1102, Tower no. 5,
Belmonte Apartments,
DLF Golf Course Road,
Gurgaon-122002

Sd/-
Vivek Jhunjunwala
Director
DIN: 02921778
230, Sainik Farms,
Pragati Marg, W-8,
Lane, Western
Avenue, New Delhi-
110062

Place: Gurgaon

Dated: 28.05.2014

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurgaon 122002
India

Independent Auditors' Report

T +91 124 462 8000
F +91 124 462 8001

To the Members of DLF Promenade Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of DLF Promenade Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Walker Chandiook & Co LLP

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - in the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
 - in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the financial statements dealt with by this report are in agreement with the books of account;
 - in our opinion, the financial statements comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 ; and
 - on the basis of written representations received from the directors, as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

(formerly Walker, Chandiook & Co)

Chartered Accountants

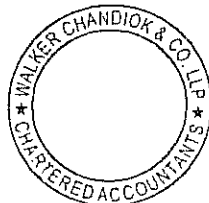
Firm Registration No.: 001076N

Neeraj Goel

per Neeraj Goel

Partner

Membership No.: 99514



Place: Gurgaon

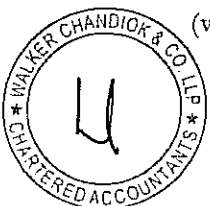
Date: May 28, 2014

Walker Chandiook & Co LLP

Annexure to the Independent Auditors' Report of even date to the members of DLF Promenade Limited on the financial statements for the year ended March 31, 2014

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) No fixed assets have been disposed off by the Company during the year.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii) (d) of the Order are not applicable.
 - (e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the Register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sell any goods. Accordingly, clause 4(iv) of the Order with respect to purchase of inventories and sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not entered into any contracts or arrangements referred to in Section 301 of the Act. Accordingly, the provisions of clause 4(v) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act in respect of Company's services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



Walker Chandiook & Co LLP

Annexure to the Independent Auditors' Report of even date to the members of DLF Promenade Limited on the financial statements for the year ended March 31, 2014

(ix) (a) The Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Gross amount (₹)	Amount deposited (₹)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	34,500,655*	Nil	2007-10	Commissioner Service Tax, Delhi

*Including interest.

- (x) *In our opinion, the Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth.* The Company has not incurred cash losses during the current and the immediately preceding financial year.
- (xi) The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 4(xi) of the Order are not applicable.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, *prima facie*, prejudicial to the interest of the Company.
- (xvi) In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilised for the stated end-use.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investments by the Company.



Walker Chandiook & Co LLP

Annexure to the Independent Auditors' Report of even date to the members of DLF Promenade Limited on the financial statements for the year ended March 31, 2014

- (xviii) During the year, the Company has not made any preferential allotment of shares to (parties /and companies) covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No.: 001076N

Neeraj Goel

per Neeraj Goel
Partner

Membership No.: 99514



Place: Gurgaon

Date: May 28, 2014


DLF Promenade Limited
Balance Sheet as at March 31, 2014

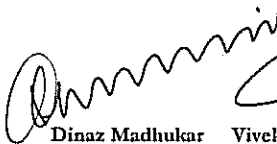
	Note	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Equity and Liabilities			
Shareholders' funds			
Share capital	3	50,000,000	50,000,000
Reserves and surplus	4	(124,781,734)	(106,478,403)
		<u>(74,781,734)</u>	<u>(56,478,403)</u>
Non-current liabilities			
Long-term borrowings	5	-	5,430,647,266
Other long-term liabilities	6	326,236,477	975,905,160
		<u>326,236,477</u>	<u>6,406,552,426</u>
Current liabilities			
Trade payables	7	11,729,188	9,146,661
Other current liabilities	8	6,303,126,669	173,886,936
		<u>6,314,855,857</u>	<u>183,033,597</u>
		<u><u>6,566,310,600</u></u>	<u><u>6,533,107,620</u></u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	5,732,024,620	5,808,383,596
Capital work-in-progress		3,527,186	5,930,830
Non-current investments	10	2,332,744	2,332,744
Deferred tax assets (net)	11	365,853,481	307,480,946
Long-term loans and advances	12	271,512,415	195,657,600
		<u>6,375,250,446</u>	<u>6,319,785,716</u>
Current assets			
Trade receivables	13	94,439,657	114,082,977
Cash and bank balances	14	91,650,125	34,885,155
Short-term loans and advances	15	4,538,632	64,353,772
Other current assets	16	431,740	-
		<u>191,060,154</u>	<u>213,321,904</u>
		<u><u>6,566,310,600</u></u>	<u><u>6,533,107,620</u></u>

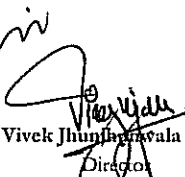
Summary of significant accounting policies 2

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

For and on behalf of the Board of Directors


 Chandra Shekher Joshi
 Company Secretary


 Dinaz Madhukar
 Director & Manager

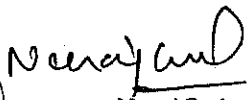

 Vivek Jhunjhunwala
 Director

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



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




 per Neeraj Goel
 Partner

DLF Promenade Limited
Statement of Profit and Loss for the year ended March 31, 2014

	Note	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Revenue			
Revenue from operations	17	861,745,050	822,611,377
Other income	18	13,968,264	7,592,427
		<u>875,713,314</u>	<u>830,203,804</u>
Expenses			
Finance costs	19	741,786,405	715,218,664
Depreciation	9	84,842,248	83,640,273
Other expenses	20	125,760,527	125,682,225
		<u>952,389,180</u>	<u>924,541,162</u>
Loss before tax		(76,675,866)	(94,337,358)
Tax expense:			
- Deferred tax credit		58,372,535	86,114,347
Loss after tax		<u>(18,303,331)</u>	<u>(8,223,011)</u>
Loss per share - (₹) (Basic and diluted)	21	(3.69)	(1.66)

Summary of significant accounting policies 2

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

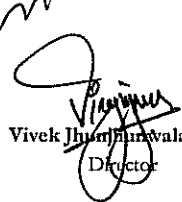


Chandra Shekher Joshi
Company Secretary

For and on behalf of the Board of Directors



Dinaz Madhukar
Director & Manager

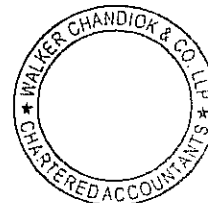


Vivek Jhumjhumwala
Director

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

Walker Chandniok & Co LLP

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



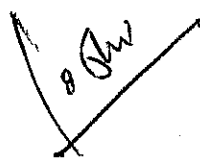
Neeraj Goel

per Neeraj Goel
Partner

Place : Gurgaon
Date : May 28, 2014

DLF Promenade Limited
Cash Flow Statement for the year ended March 31, 2014

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
A. Cash flow from operating activities		
Loss before tax	(76,675,866)	(94,337,358)
Adjustment for :		
Interest expense	741,780,814	715,203,065
Interest income	(762,703)	(164,561)
Amount forfeited on properties	622,997	-
Unclaimed balance written back	12,390,932	-
Depreciation	84,842,248	83,640,273
Operating profit before working capital changes	762,198,422	704,341,419
Adjustment for :		
Decrease / (increase) in trade receivables	19,643,320	(43,147,409)
Decrease / (increase) in loans and advances	60,293,389	(43,733,628)
(Decrease) / increase in trade payables and other liabilities	(16,582,803)	49,626,147
Cash generated from operations	825,552,328	667,086,529
Income tax paid (net of refunds)	(79,342,920)	(77,872,718)
Net cash flow generated from operating activities	746,209,408	589,213,811
B. Cash flow from investing activities		
Interest received	330,963	164,561
Purchase of fixed assets (including capital work in progress)	(14,778,055)	(48,437,843)
Net cash flow used in investing activities	(14,447,092)	(48,273,282)
C. Cash flow from financing activities		
Receipt / (repayment) of long term borrowings (net)	42,863,493	(136,694,389)
Interest paid	(717,860,839)	(416,825,918)
Net cash flow used in financing activities	(674,997,346)	(553,520,307)
Net increase / (decrease) in cash and cash equivalents	56,764,970	(12,579,778)
Cash and cash equivalents at the beginning of the year	34,885,155	47,464,933
Cash and cash equivalents at the end of the year (Refer note 14)	91,650,125	34,885,155
	56,764,970	(12,579,778)

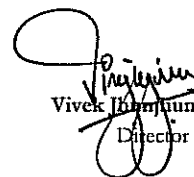


Chandra Shekher Joshi
Company Secretary

For and on behalf of the board of directors



Dinaz Madhukar
Director & Manager

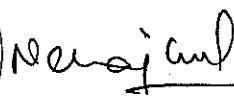


Vivek Bhambhaniwala
Director

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



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

per Neeraj Goel
Partner

DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

1. Corporate information

DLF Promenade Limited ("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. and further leases it to intending tenants.

2. Summary of significant accounting policies

a. Basis of preparation

The financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and relevant provisions of the Companies Act, 1956 (the 'Act') read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India. The accounting policies have been consistently applied by the Company.

All assets and liabilities have been classified as current and non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Revised Schedule VI of the Companies Act, 1956.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c. Fixed assets, capital work in progress and depreciation

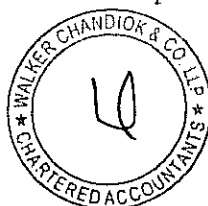
A) Fixed assets (gross block) are stated at historical cost less depreciation. The Company capitalises all costs related to the acquisition and installation of fixed assets, including interest on borrowings attributable to acquisition of fixed assets and other charges attributable to the acquisition and construction up to the date the assets are ready for use.

Building and related equipments are capitalised when the construction of the building is substantially complete or upon receipt of the occupancy certificate, whichever is earlier.

Depreciation on fixed assets is provided pro rata to the period of use, based on straight line method at rates specified in Schedule XIV to the Companies Act, 1956, or based on the management assessment of the economic useful life of the assets, whichever is higher, which is as follows:

Particulars	Years
Building and related equipment	40
Plant and machinery	20
Furniture and fixtures	15
Office equipment	20

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



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

d. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement Profit and Loss as incurred.

e. Investments

Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost and provision for diminution in their value, other than temporary, is made in the accounts.

f. Revenue recognition

Rental income is recognised on accrual basis as per the terms of agreements entered by the Company with the tenants.

Income from utilities services provided to tenants' specific usage is recognised on accrual basis.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

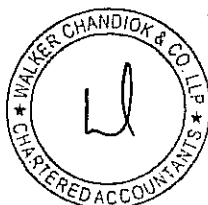
Interest from customers is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

g. Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However deferred tax arising from brought forward losses is recognised only when there is virtual certainty supported by convincing evidence that such asset will be realized.

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified year.



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

h. Contingent liabilities and provisions

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- present obligation, where a reliable estimate cannot be made.

i. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication 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 recognized in the statement of profit and loss. If at the balance sheet 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 subject to a maximum of depreciated historical cost and is accordingly reversed in the Statement of Profit and Loss.

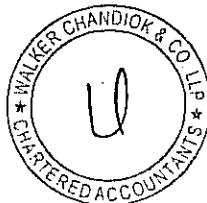
j. Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year 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.

k. Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash in hand and short term investments with maturity of three months or less.



	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
3) Share capital		
Authorised		
4,959,000 (previous year 4,959,000) equity shares of ₹ 10 each	49,590,000	49,590,000
100 (previous year 100) 12% non cumulative redeemable preference shares of ₹ 100 each	10,000	10,000
4,000 (previous year 4,000) 9% non cumulative redeemable preference shares of ₹ 100 each	400,000	400,000
	50,000,000	50,000,000
Issued, subscribed and paid up		
4,959,000 (previous year 4,959,000) equity shares of ₹ 10 each, fully paid up	49,590,000	49,590,000
100 (previous year 100) 12% non cumulative redeemable preference shares of ₹ 100 each, fully paid up	10,000	10,000
4,000 (previous year 4,000) 9% non cumulative redeemable preference shares of ₹ 100 each, fully paid up	400,000	400,000
	50,000,000	50,000,000

(a) Reconciliation of numbers of shares outstanding at the beginning and at the end of the year

There is no movement in equity and preference shares during the current year and previous year.

(b) Rights, preferences and restrictions attaching to various classes of shares**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.

12% Non Cumulative Redeemable Preference Shares of ₹ 100 each

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

9% Non Cumulative Redeemable Preference Shares of ₹ 100 each

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

(c) Shareholdings in the Company of the holding company and ultimate holding company

Name of the shareholder	Class of shares	As at March 31, 2014		As at March 31, 2013	
		Number of shares held in the company	% of shares held	Number of shares held in the company	% of shares held
DLF Cyber City Developers Limited, the holding company	Equity	4,950,000	99.82%	4,950,000	99.82%
DLF Limited, the ultimate holding company	Preference	100	100%	100	100%
DLF Limited, the ultimate holding company	Preference	4,000	100%	4,000	100%

4) Reserves and surplus

Securities premium account	198,000,000	198,000,000
Deficit in the statement of profit and loss		
Balance at the beginning of the year	(304,478,403)	(296,255,392)
Loss for the year	(18,303,331)	(8,223,011)
Balance at the end of the year	(322,781,734)	(304,478,403)
	(124,781,734)	(106,478,403)

5) Long term borrowings

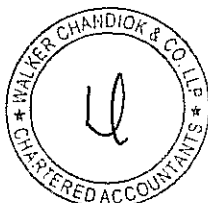
Loan from related party (Unsecured)

Loan from DLF Limited, the ultimate holding company (refer note 5(i))	-	2,991,347,266
Loan from DLF Cyber City Developers Limited, the holding company (refer note 5(ii))	-	2,439,300,000
	-	5,430,647,266

Note 5(i): Interest rate on loans from related parties are repayable after 3 years and carry interest @ 13.5% per annum (previous year 12.5% per annum).

6) Other long term liabilities

Security deposit from tenants	326,236,477	332,222,403
Interest accrued but not due on long term borrowings	-	643,682,757
	326,236,477	975,905,160



DLF Promenade Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014**

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
7) Trade payables		
Due to others (Refer note 7 (i))	<u>11,729,188</u>	<u>9,146,661</u>
	<u>11,729,188</u>	<u>9,146,661</u>
7 (i) Based on the information available with the Company, there are no dues outstanding in respect of Micro, Small and Medium enterprises at the balance sheet date. No amounts were payable to such enterprises which were outstanding for more than 45 days. Further no interest during the year has been paid or payable in respect thereof. The above disclosure has been determined to the extent such parties have been identified on the basis of the information available with the Company.		
8) Other current liabilities		
Current maturities of long-term borrowings		
Loan from DLF Limited, the ultimate holding company (refer note 5(i))	4,403,347,266	-
Loan from DLF Cyber City Developers Limited, the holding company (refer note 5(ii))	1,070,163,493	-
Interest accrued but not due on borrowings	667,602,732	-
Amount refundable to customers	4,359,773	14,761,541
Security deposit from customers	58,660,028	49,008,601
Other liabilities		
Creditors for capital goods	22,333,696	34,041,978
Statutory dues	75,751,698	75,166,833
Others	907,983	907,983
	<u>6,303,126,669</u>	<u>173,886,936</u>

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Description	Gross block			Accumulated depreciation			Net block	
	As at March 31, 2013	Additions / adjustments during the year	Deletions during the year	As at March 31, 2014	Provided during the year	Deductions during the year	As at March 31, 2014	As at March 31, 2013
1. Land freehold								
Owned	2,781,779,388	-	-	2,781,779,388	-	-	2,781,779,388	2,781,779,388
2. Building and related equipments								
Owned	3,331,063,872	1,250,783	-	3,332,314,655	83,277,196	-	2,921,081,262	3,003,107,676
3. Plant and machinery								
Owned	19,912,812	6,588,404	-	26,501,216	1,138,073	-	23,885,131	18,434,800
4. Furniture and fixtures								
Owned	3,518,463	644,085	-	4,162,548	243,048	-	2,814,248	2,413,211
5. Office equipment								
Owned	2,905,707	-	-	2,905,707	183,931	-	2,464,591	2,648,522
Total	6,159,180,242	8,483,272	-	6,147,663,514	84,842,248	-	5,732,024,620	5,808,383,597

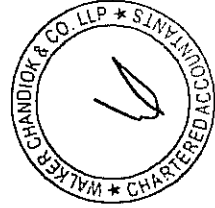
The information required regarding the assets on lease, to be disclosed as per Accounting Standard 19 on "Leases" of Companies (Accounting Standards) Rules, 2006 is given below:

a) Assets given on lease

Class of assets	the end of the year (₹)	Depreciation for the year (₹)	Accumulated depreciation (₹)
March 31, 2014			
Land freehold	2,781,779,388	-	-
Building and related equipments	3,332,314,655	83,277,196	411,233,393
March 31, 2013			
Land freehold	2,781,779,388	-	-
Building and related equipments	3,331,063,872	82,344,416	327,956,197

b) The company has given building and related equipment on lease. The Company has entered into non cancellable lease agreements with the tenants to whom it has leased out shops in Promenade Mall. The details of future minimum lease rentals receivable under operating lease for each of the following periods as on March 31, 2014 are mentioned below:

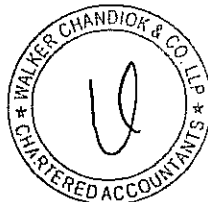
	March 31, 2014	March 31, 2013
Not later than one year	401,703,248	608,406,074
Later than 1 year and not later than five years	99,845,240	483,143,342
Later than five years	-	-
	<u>501,548,488</u>	<u>1,091,549,416</u>



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
10) Non - current investments		
Unquoted (trade)		
In Equity shares (valued at cost)		
DLF Utilities Limited 230,000 equity shares (Previous year 230,000) of ₹ 10 each fully paid up	2,300,000	2,300,000
Galleria Property Management Services Private Limited 3,250 equity shares (Previous year 3,250) of ₹ 10 each fully paid up	32,744	32,744
	<u>2,332,744</u>	<u>2,332,744</u>
11) Deferred tax assets (net)		
Deferred tax asset arising on account of :		
Brought forward tax losses	804,962,284	759,166,233
Less: deferred tax liability arising on account of		
Deduction under section 24 (b) of Income Tax Act, 1961	439,108,803	451,685,287
	<u>365,853,481</u>	<u>307,480,946</u>
12) Long-term loans and advances		
<i>Unsecured, considered good</i>		
Capital advances	-	3,009,855
Prepaid taxes (Net of provision for income tax- Nil (previous year Nil))	262,960,515	183,617,595
Prepaid expenses	961,750	1,440,000
Security deposits	7,590,150	7,590,150
	<u>271,512,415</u>	<u>195,657,600</u>
13) Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	45,821,794	52,111,791
Unsecured		
Considered good	2,479,507	2,886,654
Considered doubtful	127,345	11,248,006
	<u>48,428,646</u>	<u>66,246,451</u>
Less : Allowance for bad and doubtful debts	127,342	11,248,006
	<u>48,301,304</u>	<u>54,998,445</u>
Other debts		
Secured, considered good	36,036,531	40,775,734
Unsecured		
Considered good	10,101,822	18,308,798
	<u>46,138,353</u>	<u>59,084,532</u>
	<u>94,439,657</u>	<u>114,082,977</u>
14) Cash and bank balances		
Cash and cash equivalents		
Balances with scheduled banks		
In current account	30,499,446	34,885,155
In deposit account (with maturity upto 3 months)	61,150,679	-
	<u>91,650,125</u>	<u>34,885,155</u>
15) Short-term loans and advances		
Loans and advances to others		
Advances to business suppliers /others	118,083	59,651,724
Cenvat recoverable	3,940,549	4,222,048
Prepaid expenses	480,000	480,000
	<u>4,538,632</u>	<u>64,353,772</u>
16) Other current assets		
Interest accrued but not due on fixed deposits	431,740	-
	<u>431,740</u>	<u>-</u>



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
17) Revenue from operations		
Operating revenue		
Rental income	773,141,439	762,649,769
Other operating revenue		
Utility charges	88,603,611	59,961,608
	<u>861,745,050</u>	<u>822,611,377</u>
18) Other income		
Interest income :		
- Bank deposits	709,243	-
- Others	53,460	164,561
Amount forfeited on properties	622,997	-
Unclaimed balance written back	12,390,932	-
Miscellaneous income	191,632	7,427,866
	<u>13,968,264</u>	<u>7,592,427</u>
19) Finance costs		
Interest on loans from related parties	741,780,814	715,203,065
Guarantee, finance and bank charges	5,591	15,599
	<u>741,786,405</u>	<u>715,218,664</u>
20) Other expenses		
Rates and taxes	7,624,983	10,366,093
Electricity, fuel and water	88,603,611	59,961,608
Repair and maintenance - building	9,591,924	44,969,655
Legal and professional fees*	15,205,959	2,348,736
Business support charges	4,535,587	6,843,476
Amount forfeited on properties	-	1,044,953
Miscellaneous expenses	198,463	147,704
	<u>125,760,527</u>	<u>125,682,225</u>
* Payment to auditor:		
Audit fee	475,000	475,000
Tax audit	25,000	25,000
Reimbursement of expenses	33,512	33,512
21) Loss per share		
Loss attributable to equity shareholders	(18,303,331)	(8,223,011)
Weighted average number of equity shares outstanding	4,959,000	4,959,000
Nominal value of equity share (₹)	10	10
Earning per equity share (₹)	(3.69)	(1.66)

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DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

22. The Company is engaged in the business of real estate activities, which as per the Accounting Standard – 17 on “Segment Reporting” is considered to be the only reportable business segment. The Company is operating mainly in New Delhi and there is no other significant geographical segment.
23. In the opinion of the management, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provisions of all known liabilities have also been made.
24. The net worth of the Company as at March 31, 2014 has been substantially eroded in view of the accumulated losses aggregating to ₹ 322,781,732 (Previous year ₹ 304,478,043) incurred till date. The management has implemented plans of debt restructuring (mentioned in Note 29), increase in tenant sales through increased marketing and policies to improve its operations significantly and strengthen the financial position of the Company in the coming years. Further, in the opinion of the management, the Company would be able to pay off its liabilities as it has lock-in agreements with its tenants in terms of the revenue to be generated in the coming years. Accordingly, these financial statements have been prepared under the assumption that the Company is a going concern.
25. Building and other assets of the Company have been offered as security for taking loan by DLF Limited (the ultimate holding company), DLF Home Developers Limited and DLF Universal Limited:
- equitable mortgage on plot admeasuring 25,780 sq. mtrs (approx.) and construction thereon, admeasuring leaseable area of 463,181 sq. ft. (approx.) under the project “Promenade” located at Vasant Kunj, New Delhi (hereinafter referred to as the “Properties”) exclusively in favour of the lender(s);
 - hypothecation and escrow of all receivables received/to be received from the properties exclusively in favour of the lender(s); and/or
 - corporate guarantee by the Company guaranteeing payment of the borrower’s dues to the lender(s).
26. Contracts remaining to be executed on capital account (net of advances) not provided for ₹ Nil (Previous year ₹ 19,062,940)

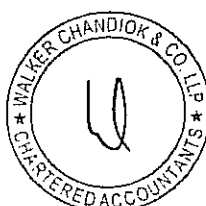
27. **Contingent liabilities:**

	March 31, 2014 (₹)	March 31, 2013 (₹)
Service tax	34,500,655	34,500,655

The management believes that the ultimate outcome of this proceeding will not have material adverse effect on the company’s financial position and results of operations.

Guarantees

Guarantee issued by the Company on behalf of:	March 31, 2014 (₹)	March 31, 2013 (₹)
Ultimate holding company	4,622,900,000	3,460,200,000
Fellow subsidiaries	2,274,400,000	2,597,900,000



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

28. Related party disclosures

“Related party disclosures” as required under Accounting Standard-18 are given below:

a. Relationship:

i) Holding companies:

- a) DLF Limited (the ultimate holding company)
- b) DLF Cyber City Developers Limited (the holding company)

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

- a) DLF Universal Limited
- b) DLF Utilities Limited
- c) Galleria Property Management Services Private Limited
- d) DLF Emporio Limited
- e) Star Alubuild Private Limited (till October 8, 2013)
- f) DLF Home Developers Limited

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

- a) DLF Brands Limited
- b) Rod Retail Private Limited
- c) Kapo Retail Private Limited
- d) Rhea Retail Private Limited
- e) Cian Retail Private Limited (formerly Cian Builders And Developers Private Limited)
- f) Solange Retail Private Limited
- g) Juno Retail Private Limited

c) The following transactions were carried out with related parties during the year in the ordinary course of business :

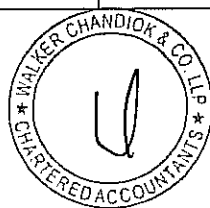
Description	Holding companies		Fellow subsidiary companies		Associate companies / KMP	
	2014	2013	2014	2013	2014	2013
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Transactions during the year						
Expenses paid						
DLF Utilities Limited	-	-	4,535,587	6,841,656	-	-
Business support Income						
DLF Utilities Limited	-	-	-	5,634,770	-	-
Loan taken						
DLF Limited	4,536,700,000	588,705,611	-	-	-	-
DLF Cyber City Developers Limited	2,360,500,000	2,439,300,000				
Loan repayment						
DLF Cyber City Developers Limited	3,729,636,507	-	-	-	-	-
DLF Limited	3,124,700,000	3,164,700,000	-	-	-	-



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended
March 31, 2014

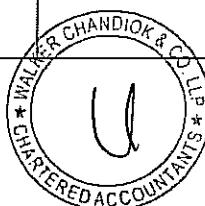
Description	Holding companies		Fellow subsidiary companies		Associate companies / KMP	
	2014	2013	2014	2013	2014	2013
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Interest expense						
DLF Limited	124,895,695	661,132,517	-	-	-	-
DLF Cyber City Developers Limited	616,885,118	54,070,548	-	-	-	-
Expenses recovered						
DLF Universal Limited	-	-	1,135,715	1,131,023	-	-
DLF Utilities Limited	-	-	3,982,414	-	-	-
DLF Brands Limited	-	-	-	-	371,954	281,883
Kapo Retail Private Limited	-	-	-	-	100,522	100,107
Juno Retail Private Limited	-	-	-	-	39,550	88,234
Rod Retail Private Limited	-	-	-	-	83,410	83,066
Rhea Retail Private Limited	-	-	-	-	313,186	360,711
Star Alubuild Private Limited	-	-	-	830,749	-	-
Rental income						
DLF Universal Limited	-	-	16,757,880	16,757,880	-	-
DLF Utilities Limited	-	-	51,242,442	50,170,410	-	-
DLF Brands Limited	-	-	-	-	8,602,048	13,296,538
Kapo Retail Private Limited	-	-	-	-	5,294,341	5,545,365
Juno Retail Private Limited	-	-	-	-	1,627,173	2,998,988
Rod Retail Private Limited	-	-	-	-	4,433,866	3,874,896
Rhea Retail Private Limited	-	-	-	-	16,341,222	14,462,449
Solange Retail Private Limited	-	-	-	-	17,721	-
Cian Retail Pvt. Limited (formerly Cian Builders And Developers Pvt. Ltd.)	-	-	-	-	1,155,264	-
Electricity income						
DLF Universal Limited	-	-	10,805,176	4,576,503	-	-
DLF Brands Limited	-	-	-	-	1,064,054	793,489
Kapo Retail Private Limited	-	-	-	-	428,479	384,626
Juno Retail Private Limited	-	-	-	-	157,156	264,748



DLF Promenade Limited

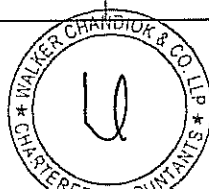
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

Description	Holding companies		Fellow subsidiary companies		Associate companies / KMP	
	2014	2013	2014	2013	2014	2013
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Rod Retail Private Limited	-	-	-	-	351,843	292,693
Rhea Retail Private Limited	-	-	-	-	1,099,418	1,058,183
Solange Retail Private Limited	-	-	-	-	13,340	-
Cian Retail Pvt. Limited (formerly Cian Builders And Developers Pvt. Ltd.)	-	-	-	-	384,464	-
DLF Utilities Limited	-	-	43,488,824	42,262,513	-	-
Electricity expenses						
DLF Utilities Limited	-	-	53,170,539	34,582,541	-	-
Balances at year end						
Guarantees given						
Guarantee given (for loan taken by DLF Limited)	4,622,900,000	3,460,200,000	-	-	-	-
Guarantee given for loan taken by DLF Home Developers Limited	-	-	1,246,700,000	1,424,100,000	-	-
Guarantee given for loan taken by DLF Universal Limited	-	-	1,027,700,000	1,173,800,000	-	-
Security deposits given						
DLF Utilities Limited	-	-	5,250,000	5,250,000	-	-
Security Deposits						
DLF Universal Limited	-	-	10,930,950	10,930,950	-	-
DLF Utilities Limited	-	-	6,527,478	6,527,478	-	-
DLF Brands Limited	-	-	-	-	5,984,940	5,984,940
Kapo Retail Private Limited	-	-	-	-	2,128,500	2,128,500
Rhea Retail Private Limited	-	-	-	-	7,669,280	7,669,280
Juno Retail Private Limited	-	-	-	-	-	1,421,250
Rod Retail Private Limited	-	-	-	-	1,766,160	1,766,160
Solange Retail Private Limited	-	-	-	-	2,151,157	-
Cian Retail Pvt. Limited (formerly Cian Builders And Developers Pvt.Ltd.)	-	-	-	-	5,599,212	-



DLF Promenade Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

Description	Holding companies		Fellow subsidiary companies		Associate companies / KMP	
	2014	2013	2014	2013	2014	2013
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Expenses payable						
DLF Universal Limited	-	-	379,805	379,805	-	-
Unsecured loans						
DLF Limited	4,403,347,266	2,991,347,266	-	-	-	-
DLF Cyber City Developers Limited	1,070,163,493	2,439,300,000	-	-	-	-
Interest accrued but not due						
DLF Limited	112,406,126	595,019,265	-	-	-	-
DLF Cyber City Developers Limited	555,196,606	48,663,493	-	-	-	-
Amount recoverable						
DLF Limited	3,225	3,225	-	-	-	-
Star Alubuild Private Limited			-	514,953		
DLF Utilities Limited	-	-	-	57,775,382	-	-
DLF Emporio Limited	-	-	398,937	398,937	-	-
Trade receivables						
DLF Universal Limited	-	-	-	194,273		
DLF Utilities Limited	-	-	3,050,647	-		
DLF Brands Limited	-	-	-	-	9,069,644	15,121,394
Juno Retail Private Limited	-	-	-	-	414,815	2,734,789
Rod Retail Private Ltd	-	-	-	-	4,772,055	4,329,933
Kapo Retail Private Limited	-	-	-	-	5,891,722	6,201,929
Rhea Retail Private Limited	-	-	-	-	4,557,458	5,132,275
Solange Retail Private Limited	-	-	-	-	31,836	-
Cian Retail Pvt Limited (formerly Cian Retail Pvt. Limited (formerly Cian Builders And Developers Pvt. Ltd.))	-	-	-	-	1,504,503	-
Advance from Customers						
DLF Universal Limited	-	-	659,284	-	-	-
Trade payables						
DLF Utilities Limited	-	-	5,914,536	1,383,429		
DLF Limited	15,997	-	-	-	-	-



DLF Promenade Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014

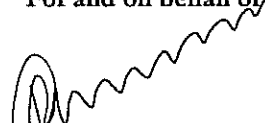
Description	Holding companies		Fellow subsidiary companies		Associate companies / KMP	
	2014	2013	2014	2013	2014	2013
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Share capital						
DLF Limited	410,000	410,000	-	-	-	-
DLF Cyber City Developers Limited	49,500,000	49,500,000	-	-	-	-
Investments						
DLF Utilities Limited	-	-	2,300,000	2,300,000	-	-
Galleria Property Management Services Private Limited	-	-	32,744	32,744	-	-

29. Subsequent to year end, the Company has proposed to place Commercial Mortgage Backed Security (CMBS) issuance of ₹ 3,750,000,000, with a coupon rate of 10.90% p.a. with a legal maturity of 7.5 years from the date of issuance. The CMBS issue is rated CRISIL AA (SO). Through the funds raised by the CMBS, the Company intends to dispose off the loan liability standing as at the balance sheet date. Board of directors has already approved the proposed issue vide board resolution dated April, 25, 2014.
30. In the opinion of the Board of Directors, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/expected liabilities have been made.
31. Previous year figures have been rearranged/regrouped wherever considered necessary to make them comparable with those of the current year.

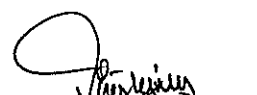


Chandra Shekher Joshi
Company Secretary

For and on behalf of the board of directors




Dinaz Madhukar
Director and Manager



Vivek Jhunjhunwala
Director

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

per **Neeraj Goel**
Partner

Place: Gurgaon
Date: May 28, 2014