

## **DLF Limited**

DLF Gateway Tower, R Block,  
DLF City Phase – III, Gurugram – 122 002,  
Haryana (India)  
Tel. : (+91-124) 4396000



25<sup>th</sup> September 2018

|   |   |
|---|---|
| The General Manager<br>Dept. of Corporate Services<br><b>BSE Limited</b><br>P.J. Tower, Dalal Street,<br>Mumbai – 400 001 | The Vice-President<br><b>National Stock Exchange of India<br/>Limited</b><br>Exchange Plaza, Bandra Kurla Complex,<br>Bandra(E), Mumbai – 400 051 |
|---|---|

### **Sub: DLF Annual Report 2018**

Dear Sir,

In terms of the provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Annual Report 2018 is enclosed herewith for your kind information and record please.

Thanking you,

Yours faithfully,  
For **DLF Limited**

A handwritten signature in blue ink, appearing to read 'Subhash Setia'.

Subhash Setia  
**Company Secretary**

**Encl. As above**

|   |
|---|
| For Stock Exchange's clarifications, please contact:-<br>1. Mr. Subhash Setia - 09873718989/setia-subhash@dlf.in<br>2. Mr. Raju Paul - 09999333687/paul-raju@dlf.in |
|---|



The Chanakya, New Delhi



Café C, The Chanakya, New Delhi

# Contents

|   |     |
|---|-----|
| Company Information .....                     | 3   |
| Message from the Chairman .....               | 4   |
| Board of Directors .....                      | 6   |
| Directors' Report .....                       | 7   |
| Management Discussion & Analysis Report ..... | 42  |
| Corporate Governance Report .....             | 52  |
| Standalone Financial Statements .....         | 80  |
| Auditor's Report .....                        | 81  |
| Balance Sheet .....                           | 86  |
| Statement of Profit & Loss .....              | 87  |
| Cash Flow Statement .....                     | 88  |
| Notes .....                                   | 92  |
| Consolidated Financial Statements .....       | 164 |
| Details of Subsidiary Companies .....         | 280 |
| Notice .....                                  | 289 |



# Company Information

## Board of Directors

### Executive Directors

Dr. K.P. Singh  
Chairman

Mr. Rajiv Singh  
Vice Chairman

Mr. Mohit Gujral  
CEO & Whole-time Director

Mr. Rajeev Talwar  
CEO & Whole-time Director

Mr. Ashok Kumar Tyagi  
Whole-time Director (w.e.f. 01.12.2017)

Mr. Devinder Singh  
Whole-time Director (w.e.f. 01.12.2017)

### Non-Executive Directors

Mr. K.N. Memani  
Lead Independent Director

Ms. Pia Singh

Mr. G.S. Talwar

Mr. Ved Kumar Jain

Dr. D.V. Kapur

Mr. B. Bhushan

Mr. Pramod Bhasin

Mr. Rajiv Krishan Luthra

Lt. Gen. Aditya Singh (Retd.)

Mr. A.S. Minocha

Mr. Vivek Mehra  
(w.e.f. 13.02.2018)

## Reference Information

### Registered Office

Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg  
Phase-I, DLF City, Gurugram - 122 002  
(Haryana)

### Corporate Office

DLF Gateway Tower, R Block  
DLF City, Phase - III, Gurugram - 122 002  
(Haryana)

### Statutory Auditors

S.R. Batliboi & Co. LLP

### Registrar & Share Transfer Agent

Karvy Computershare Private Limited

### Listed at

Bombay Stock Exchange  
National Stock Exchange

### Company Secretary

Mr. Subhash Setia

# Message from the Chairman



*Dr. K.P. Singh, Chairman*

## *Dear Shareholders,*

Several path-breaking reforms ushered in by the Government over the past few years are gradually beginning to have a salutary impact on the economy as a whole and on the Real Estate sector in particular.

Even as economic players are rapidly adapting to structural changes like GST, IBC and RERA, there are signs of general endorsement of the Prime Minister's call to Reform, Perform and Transform.

Although, as a nation in transition, India still faces many hurdles on the road to revival and faster growth, the year gone by has provided hopeful indications that the country is moving in the right direction.

Added to that is the recent global recognition of India's ranking as the sixth largest economy and as the fast-growing large economy in the world. This has reinforced the belief that broadly speaking

macro-economic fundamentals have remained stable despite the downturn in recent years.

It would be a fallacy however, to become complacent on the basis of the GDP estimates of 6.7 percent in 2017-18. The reality, as I have often emphasized in the past, is that India needs a consistent double-digit 'real' growth rate sustained over several years in order to achieve the national goals of inclusive growth and justice to all sections of the vast population.

As I have also repeatedly advocated, the key to transformation of India's future lies in recognizing the Real Estate sector as the principle engine of growth. The housing and construction sector has a multiplier effect on the entire economy - it is the fourth largest employment generator and is a significant contributor to GDP, with studies showing that construction as a whole, accounts for 11.39 percent of the total economic output. Moreover, every rupee invested in the housing sector results in an addition

of ₹ 1.54 to GDP and, if household expenditure is also taken into consideration, the contribution adds up to ₹ 2.84.

The Government has brought forward several important reforms, the most significant being the Real Estate (Regulation and Development) Act, 2016 (RERA). This shall undoubtedly boost consumer confidence and pave the way for accelerated demand for housing products and facilitate flow of investments into the real estate sector, both from global and Indian investors.

Implementation of RERA shall also streamline norms for transparency and accountability and a compliance mechanism for timely delivery of good quality housing projects.

RERA has been well supported by the implementation of Goods and Services Tax (GST) regime which will create a level playing field for the organized players like your Company and helped in accelerating the growth in the sector.

Real estate demand, in the recent months, has also received much needed impetus with the Credit Linked Subsidy Scheme (CLSS) for the middle income group under the Pradhan Mantri AwasYojna (PMAY).

I am happy to report that your Company is well placed to capitalize on these opportunities in the business development space. Acknowledging the strength of your Company, GIC Real Estate has entered into one of the largest transactions by becoming a shareholder in DLF Cyber City Developers Limited (DCCDL), which has a huge annuity portfolio.

DLF's partnership with GIC has positioned your Company for faster growth in the office and retail space. In addition to capturing the growth within DCCDL, your Company can continue to develop offices or retail malls outside the JV – DCCDL.

As a business strategy, your Company shall try to sell its products only when the project has progressed to a stage, where the uncertainties linked to development are significantly reduced.

I am confident that your Company is well equipped not only to tide over the travails of transition but also to remain at the forefront of real estate development. Our unique business model shall cushion the impact of market down cycles given the different types of incomes and geographic diversity.

Your Company has been committed to the cause of social empowerment and uplifting the lives of under privileged. Through DLF Foundation and other NGO's, DLF has been working and contributing in national priorities such as skill development, education, rural health care, community development and promoting art, culture, spirituality and leadership based on Vedic philosophy, women empowerment. The goal of these initiatives is to make the rural masses more self-reliant. Under the nurturing talent program, 1,021 students were supported by your Company at the primary, secondary schools and professional colleges level during the year. Your Company has adopted 16 Government schools for supporting infrastructural up-gradation and education enhancement project in 6 Government schools. To support the bridge schools, your Company has addressed the needs of school dropouts and subsequently facilitate their enrolment in Government schools after enhancing their learning skills and provide remedial classes to over 1,019 students in three learning centres. Under the health care including mobile medical program, over a lakh people have been benefitted. The social outreach initiatives have won many recognitions at various national and international levels.

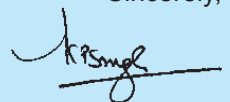
It is my privilege to inform you that your Company's sterling products have been recognized and awarded platinum certification (highest certification) and IGBC's LEED India platinum rating by the US Green Building Council and Indian Green Building Council, respectively.

Our employees, customers, business associates and shareholders have always been a source of strength and I thank them for their continued support. On behalf of my fellow Directors and DLF Corporate family, I renew our pledge towards building a new India.

We look forward your continued support to all our endeavors in delivering happiness in the lives of millions of people who joined our journey of Building India.

With best wishes,

Sincerely,



New Delhi  
10 August 2018

**(Dr. K.P. Singh)**  
**Chairman**



# Board of Directors



Dr. K.P. Singh



Mr. Rajiv Singh



Mr. Mohit Gujral



Mr. Rajeev Talwar



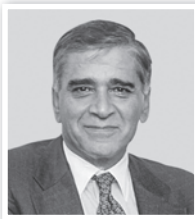
Mr. Ashok Kumar Tyagi



Mr. Devinder Singh



Ms. Pia Singh



Mr. G.S. Talwar



Mr. K.N. Memani



Dr. D.V. Kapur



Mr. B. Bhushan



Mr. Pramod Bhasin



Mr. Rajiv Krishan Luthra



Mr. Ved Kumar Jain



Lt. Gen. Aditya Singh (Retd.)



Mr. A.S. Minocha



Mr. Vivek Mehra

## Directors' Report

Your Directors have pleasure in presenting their 53<sup>rd</sup> Report on the business and operations of the Company together with the audited results for the financial year ended 31 March 2018.

### Financial Results

(₹ in crore)

|  | Consolidated    |          | Standalone      |          |
|--|-----------------|----------|-----------------|----------|
|  | 2017-18         | 2016-17  | 2017-18         | 2016-17  |
| Total income from operations   | <b>7,663.71</b> | 8,940.51 | <b>3,803.79</b> | 4,405.26 |
| Total expenses   | <b>7,813.59</b> | 8,340.25 | <b>3,137.68</b> | 3,482.56 |
| Profit before exceptional items and tax                                    | <b>(149.88)</b> | 600.26   | <b>666.11</b>   | 922.70   |
| Exceptional items (net)  | <b>8,765.34</b> | 429.26   | <b>(120.66)</b> | (42.25)  |
| Profit before tax  | <b>8,615.46</b> | 1,029.52 | <b>545.45</b>   | 880.45   |
| Less: Tax expense  | <b>4,323.05</b> | 229.26   | <b>180.25</b>   | 283.89   |
| Profit after tax   | <b>4,292.41</b> | 800.26   | <b>365.20</b>   | 596.56   |
| Share of Profit/(loss) in associates and jointly controlled entities (net) | <b>184.38</b>   | (92.26)  | -               | -        |
| Net Profit for the year  | <b>4,476.79</b> | 708.00   | <b>365.20</b>   | 596.56   |

Consolidated revenue for the FY'18 was ₹ 7,664 crore with EBIDTA of ₹ 3,334 crore. The net profit was ₹ 4,477 crore, including one time exceptional gain on account of fair valuation of DLF's residual stake in DLF Cyber City Developers Limited (DCCDL), a subsidiary. The earnings per share (EPS) for the year stood at ₹ 25.02.

The cost of land, plots, development rights, constructed properties and others decreased to ₹ 3,115 crore on consolidated basis. However, staff cost increased marginally to ₹ 344 crore and depreciation, amortization and impairment charges were at ₹ 534 crore.

The financials for current year are not strictly comparable with previous year due to dilution of stake in DCCDL to Reco Diamond Private Limited, an affiliate of GIC Real Estate, Singapore (GIC Real Estate). Due to this, DCCDL was accounted as joint venture w.e.f. 26 December 2017 in terms of applicable Ind AS. However, DCCDL continued to be a material subsidiary

of your Company under the provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations).

Your Company's Balance Sheet as at 31 March 2018 reflected a healthy position with a net worth of ₹ 35,359 crore. This was primarily achieved because of infusion of funds by the promoter entities, which were substantially utilized to pare down net debt which stood at ₹ 6,265 crore as on 31 March 2018.

The annuity arm - DCCDL and its subsidiaries recorded revenues of ₹ 4,930 crore with EBIDTA of ₹ 3,523 crore in FY'18, a growth of 13% over ₹ 4,363 crore recorded in FY'17. The net profit increased to ₹ 1,421 crore, a growth of 15% over ₹ 1,240 crore recorded in FY'17.

### Significant Development

In FY'18, the Company entered into a land mark transaction with GIC Real Estate, which was over viewed by the Audit Committee comprising of Independent Directors. The deal demonstrated your Company's leadership position in the industry. The stake sale by promoter(s) in DCCDL brought one of the best global investors as a shareholder in DCCDL and positioned the annuity business on the path of accelerated growth. The Company made a preferential offer of Compulsorily Convertible Debentures (CCDs) and Warrants to the promoters, which were fully subscribed by them, thereby committing ₹ 11,250 crore to the Company. These CCDs and Warrants will be converted/ exercised into 51.78 crore equity shares of the Company at a price of ₹ 217.25 per equity share. The promoters remitted ₹ 9,000 crore in December 2017 and balance amount of ₹ 2,250 crore is expected to be remitted within FY 2018-19. In order to maintain minimum public shareholding as mandated under the Securities Contracts & Regulations Act, 1956 read with the Listing Regulations, the Company plans to issue up to 17.30 crore equity shares by way of private placement to Qualified Institutional Buyers (QIBs).

During the year under review, a wholly-owned subsidiary acquired a prime land parcel of 11.76 acres (approx.) in Udyog Vihar, Gurugram (opposite to the Cyber City, Gurugram) through e-auction conducted by Haryana State Industrial & Infrastructure Development Corporation Limited. The commercial development of approx. 0.23 million square meter (msm) [2.5 million square feet (msf)] on the said land would be on the

similar pattern of One Horizon Center located in DLF5, Gurugram.

During the year under review, your Company also achieved the completion of 'The Chanakya', which is one of the finest mall developed and can compare with the best globally.

### **Revenue Recognition (Ind AS 115)**

Pursuant to the notification issued by the Ministry of Corporate Affairs, your Company has adopted new accounting standard Ind AS 115 with effect from 1 April 2018. The core principle of the new standard is that revenue should be recognized only when an entity transfers control of goods or services to customers, at the amount which the entity expects to be entitled. Ind AS 115 contains extensive disclosure requirements and use of judgement and estimates in comparison to existing accounting standards.

In real estate industry, the parameters for revenue recognition will undergo a substantial change. Until now, your Company followed 'Percentage of Completion Method' (PoCM) for revenue accounting. Based upon the expert opinion, both legal and accounting on the contracts entered with the customers, obtained by your Company, it has shifted to recognition of revenues when obligations of the Company have essentially been completed, risks have nearly been eliminated for the organization and control over the property has deemed to be passed over to the buyer, from the financial year 2018-19.

In view of the above, your Company has applied the modified retrospective approach to contracts that were not completed as at 1 April 2018. Accordingly, your Company's retained earnings as at 1 April 2018 have been reduced by ₹ 5,382.82 crore (net of taxes).

### **Review of Operations**

Your Company's development business primarily focuses on the development and sale of residential real estate which include plotted developments, houses, villas and apartments of varying sizes and integrated townships, with a focus on the high end luxury residential developments. The development business also consists of certain commercial and shopping complexes, including those that are integral to the residential developments they are attached to.

Your Company's lease business involves leasing of its developed offices and retail properties. One of the key objectives of its lease business is to achieve returns from investments in its portfolio properties on

an ongoing basis within a targeted time frame. Another key objective is to achieve high occupancy rates for the leased portfolio properties. The utilities and facility management business supports and complements the lease business.

### **Residential Segment**

As at 31 March 2018, your Company had approximately 0.56 msm (6 msf) of projects under construction.

The Company achieved gross sales booking of ₹ 1,700 crore in FY'18. It is pertinent to note that these figures reflect sales achieved over a period of 7 months, as sales were closed for the balance period due to implementation and streamlining of operations as per the Real Estate (Regulation and Development) Act, 2016.

### **Lease Business**

As at 31 March 2018, your Company's lease business comprised completed offices and retail properties with leasable area of approximately 2.93 msm (31.50 msf) [including DCCDL and its subsidiaries]. On completion of development at Chennai SEZ and Cyber Park, Gurugram approximately 0.34 msm (3.65 msf) area would be added.

### **Future Outlook**

Setting-up of the joint venture between DLF and GIC Real Estate for DLF's predominant rental arm - DCCDL was undertaken with a twin objective - firstly to strengthen the balance sheet of DLF & significantly deleverage the Development business and secondly to provide key focus on accelerated growth of DCCDL business.

Within DCCDL, the focus is to work on a plan which provides growth of EBITDA in mid - teens. The free cash flow generated from DCCDL annuity income shall be judiciously utilized for capital expenditure, deleveraging and increasing dividend flow to its shareholders.

The development business shall be driven by appropriately utilizing free cash flow targeted for development into new projects with high returns on development costs and balance free cash flow to build-up cash reserves for any potential strategic initiatives.

In the last few years, the Company followed a strategy of accelerated construction and completion of all launched projects vis-à-vis sales thereby building finished inventory. Your Company today has finished inventory worth approximately ₹ 15,000 crore (net of

construction expenses), which it shall continue to sell over a period of time.

Your Company will endeavor to sell future projects once they have attained a degree of tangible progress & reduced uncertainties. It has already launched construction of residential complex at Capital Greens IV, New Delhi, which is part of 0.65 msm (7 msf) development, another JV with GIC. Further, projects are being identified for development, with an objective that inventory available for sale could be continuously replenished in a 4 year cycle.

Your Company endeavours to make itself debt free on the development side of the business in the near term.

### **Real Estate (Regulation and Development) Act, 2016 (RERA)**

The Central Government had notified the RERA in 2016, however States have notified and implemented the relevant rules during the fiscal year 2017-18. RERA has streamlined norms for transparency and accountability and placed a compliance mechanism for timely delivery of quality housing projects. In the long run, RERA will boost consumer confidence and will pave way for significant demand for housing products and facilitate flow of investments.

### **Goods and Services Tax**

The indirect tax reform Goods and Services Tax (GST) was implemented w.e.f. 1 July 2017. The new tax structure subsumed various Indirect Taxes such as Excise duty, Service tax and Value added tax etc., which were levied by the Central and various State Governments. The GST aims to create a uniform market and eliminates multiple levels of taxation. This has created a higher level of transparency and streamlined the overall indirect tax structure.

### **Impact on Development Business**

An effective rate of 12% is applicable on basic selling price and parking cost (i.e. after one third deemed deduction on account of transfer of land or undivided share of land) in case of sale of under construction commercial/ residential property, before receipt of occupation certificate or completion certificate. GST is being currently recovered at the rate of 18% on preferential location charges and other services. GST charged by vendors/ contractors/ service providers is available as input tax credit against sale of such property.

### **Impact on Rental Business**

GST rate is 18% in case of rental services and other auxiliary services without any credit on Goods and

Services used for construction of leasable building (other than plant and machinery). Benefit for SEZs continued as zero rate of tax is applicable in case of supplies are made to SEZ units, Developers and Co-developers. This has made SEZs relevant again, even without the Direct Tax benefits.

### **Dividend**

Your Company has paid an interim dividend of ₹ 1.20 per equity share of the face value of ₹ 2/- each. The Directors are pleased to recommend a final dividend of ₹ 0.80 per equity share for FY 2017-18. With the above recommendation, the total dividend is ₹ 2/- per equity share (previous year ₹ 2/- per equity share) for the said financial year. The total outgo on account of interim and final dividend would be ₹ 356.84 crore for the financial year as against ₹ 356.81 crore for the previous year.

The dividend payout is in accordance with the Company's Dividend Distribution Policy. The said policy formulated by the Board pursuant to Regulation 43A of the Listing Regulations is appended at **Annexure-F** to this report. The said policy is also available on the website of the Company [http://www.dlf.in/images/downloads/170601162837\\_0001.pdf](http://www.dlf.in/images/downloads/170601162837_0001.pdf).

### **Reserves**

The Company as per the provisions of the Companies (Share Capital and Debentures) Rules, 2014, as amended, has adequate Debenture Redemption Reserve (DRR). No amount is proposed to be transferred to DRR as well as General Reserve.

### **Share Capital**

During the year under review with the approval of the Members, the Company has increased its authorized share capital to ₹ 1,000 crore by creating additional 250 crore equity shares of ₹ 2/- each.

The Board of Directors of your Company in its meeting held on 29 December 2017 have allotted 37,97,46,836 fully paid-up 0.01% Compulsorily Convertible Unsecured Debentures (CCDs) of ₹ 217.25 each at par convertible into equal number of equity shares of ₹ 2/- each and 13,80,89,758 Warrants of ₹ 217.25 each exercisable into equal number of equity shares of ₹ 2/- each of the Company to the promoters. The CCDs and Warrants shall be converted/ exercised into equity shares upon issuance of 17.30 crore equity shares of ₹ 2/- each by way of private placement to the persons falling under the public category of shareholders in compliance to minimum public shareholding norms.

The Board of Directors have also allotted 63,938 equity shares of ₹ 2/- each fully paid-up upon exercise of stock options by the eligible employees under the Employee Stock Option Scheme, 2006 thereby increasing the paid-up share capital by ₹ 1.28 lakhs.

### **Credit Rating**

CRISIL has assigned Long-Term/ Non-convertible Debentures Rating A+/ Stable (upgraded from 'CRISIL A'; Removed from 'Rating Watch with Developing Implications') and Short-Term/ Short-Term Debt Rating of CRISIL A1 (Upgraded from 'CRISIL A2+'; Removed from 'Rating Watch with Developing Implications').

ICRA Limited ('ICRA') has upgraded the long-term rating of the Company and its subsidiaries to "ICRA A+ with positive Outlook" from "ICRA A with Stable Outlook", while Short-Term Rating of A1 for the Company has been reaffirmed.

### **Fixed Deposits**

During the year under review, the Company has neither invited nor accepted/ renewed any deposits from the public.

### **Holding Company**

In view of the internal restructuring amongst Promoter Group entities, Rajdhani Investments & Agencies Private Limited has become a Holding Company w.e.f. 12 March 2018, holding 54.07% equity shares of the Company.

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

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

### **Particulars of Employees**

The information required pursuant to Section 197(12) of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended ('the Rules') in respect of employees of the Company drawing remuneration in excess of the limits set-out in the said Rules, is annexed to this Report.

Pursuant to the provisions of Section 136(1) of the Act, the Financial Statements are being sent to the Members

and others entitled thereto, excluding the information on employees particulars specified under Rule 5(2) & (3) of the Rules. The same are also available on the website of the Company viz. [www.dlf.in](http://www.dlf.in) and for inspection by the Members at the Registered Office of the Company up to the date of the ensuing Annual General Meeting (AGM). Any Member interested in obtaining such information thereof may write to the Company Secretary.

### **Employee Stock Option Scheme (ESOS)**

Disclosures with respect to stock options as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are available on the website of the Company viz. <http://www.dlf.in/downloads.aspx>. During the year, there has not been any change in DLF Employee Stock Option Scheme, 2006.

The certificate from S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, as required under Regulation 13 of the said Regulations, with respect to the implementation of DLF Employee Stock Option Scheme, 2006 is available for inspection at the Registered Office of the Company and shall be placed at the ensuing AGM.

### **Listing at Stock Exchanges**

The equity shares of your Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Non-convertible Debentures issued by your Company are also listed on the Wholesale Debt Market (WDM) segment of BSE.

### **Management Discussion & Analysis Report**

The Management Discussion & Analysis Report as required under Regulation 34 read with Schedule V to the Listing Regulations forms part of this Report.

### **Corporate Governance Report**

The Corporate Governance Report, as stipulated under Regulations 17 to 27 & 46(2) and paragraphs C, D and E of Schedule V to the Listing Regulations forms part of this Report.

The requisite certificate from S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, confirming compliance with the conditions of corporate governance as stipulated under the Listing Regulations is attached to the Corporate Governance Report.

## Directors' Responsibility Statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2018 and the profit and loss of the Company for that period;
- (iii) they 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;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they 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
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Board and its Committees

The Board of Directors met nine times during the FY 2017-18. Details on the composition of the Board, Committees, meetings held, attendance thereat are provided in the Corporate Governance Report and forms part of this Report.

## Auditors & Auditor's Report

S.R. Batliboi & Co. LLP, Chartered Accountants (FRN 301003E/ E300005) were appointed as Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 52<sup>nd</sup> AGM till the conclusion of 57<sup>th</sup> AGM subject to ratification of their appointment at every subsequent AGM. The Ministry of Corporate Affairs vide notification dated 7 May 2018 obliterated the requirement of seeking Members' ratification at every AGM on appointment of statutory auditors during their tenure of five years. S.R. Batliboi & Co. LLP has

confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on Financial Statements (including the Consolidated Financial Statements) referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

## Cost Auditors

During the year, M/s R.J. Goel & Co., Cost Accountants (FRN 000026) were appointed as Cost Auditors of the Company for the FY 2017-18 for conducting the audit of cost records of the Company pertaining to real estate development activities. Your Company is maintaining the requisite cost records and the Cost Audit Report for the FY 2017-18 shall be filed with the Ministry of Corporate Affairs in due course.

## Secretarial Auditor

Dr. K.R. Chandratre, Company Secretary in Practice was appointed as Secretarial Auditor to conduct Secretarial Audit for the FY 2017-18. The Secretarial Audit Report for the said financial year is at **Annexure-B**. The said report is self-explanatory and do not contain any qualification, reservation and adverse remarks or disclaimer.

## Secretarial Standards

The Secretarial Standards i.e. SS-1 & SS-2 relating to meetings of the Board of Directors and General Meetings, respectively have been duly followed by the Company.

## Directors and Key Managerial Personnel

The shareholders of the Company at their Extraordinary General Meeting held on 27 December 2017 have approved appointments of Mr. Ashok Kumar Tyagi and Mr. Devinder Singh as Whole-time Directors of the Company for a period of 5 years w.e.f. 1 December 2017.

Based upon the recommendation of the Nomination and Remuneration Committee, Mr. Vivek Mehra was co-opted as an Additional Director (in the capacity of an Independent Director) by the Board on 13 February 2018, who holds office up to the date of ensuing AGM. In terms of Section 161 of the Act read with Article 101(2) of the Articles of Association of the Company, the Company has received a notice in writing from a Member of the Company proposing his candidature for the office of Director of the Company.

Pursuant to the provisions of Section 152 of the Act read with Articles of Association of the Company, Mr. Mohit Gujral and Mr. Rajeev Talwar, are liable to retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment.

Brief resume of Mr. Mehra, Mr. Gujral and Mr. Talwar seeking appointment/ re-appointment along with other details as stipulated under Regulation 36 of the Listing Regulations and the Act, are provided in the Corporate Governance Report and Notice for convening the AGM.

All Independent Directors have submitted declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations.

The Board has appointed Mr. Saurabh Chawla as Chief Financial Officer (designated as Group CFO) w.e.f. 29 December 2017 upon elevation of Mr. Ashok Kumar Tyagi as a Whole-time Director of the Company. Mr. Subhash Setia is the Company Secretary and Compliance Officer of the Company.

### **Corporate Social Responsibility (CSR)**

DLF has been continuously involved in holistic development of the nation with special focus on communities where it operates its business. DLF furthered its deliverables on social responsibility with strengthening of initiatives for improving lives of downtrodden and marginalized on one hand as also improving quality of another.

In addition thereto, DLF Group has made significant contribution in community welfare initiatives including the underprivileged through education, training, health, environment, capacity building, skill development and rural-centric interventions through contributions to 'DLF Foundation' and other agencies. The employees of DLF Group also participated in many of such initiatives.

During the year, the Company has contributed to the corpus of DLF Foundation to set-up an Institute for imparting and sharing knowledge of art, culture, spirituality, healthy living and ethical leadership based on India's ancient Vedic Philosophy.

The Board based on the recommendations of the CSR Committee, approved CSR policy of the Company in accordance with Section 135 of the Act and Rules made thereunder. A copy of the CSR policy is available on the Company's website viz. <http://www.dlf.in/images/downloads/Corporate-Social-Responsibility-Policy-Revised.pdf>

The Annual Report on CSR activities as per prescribed format under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended is annexed at **Annexure-C** and forms part of this Report.

### **Subsidiaries and Consolidated Financial Statements**

As at 31 March 2018, the Company has 107 subsidiary companies in terms of the provisions of the Act. Further, details of change in subsidiaries and associates during the year are given at **Annexure-D** and forms part of this Report.

The consolidated financial statements of the Company, its subsidiaries, associates and joint ventures have been prepared in accordance with the provisions of Section 129(3) of the Act read with applicable Ind AS and forms part of the Annual Report. Further, a statement containing salient features of the financial statements of subsidiaries, associates and joint ventures in the prescribed format AOC-1 is included as a separate section and forms part of this Annual Report. The statement also provides the details of performance and financial position of each of the subsidiaries.

Pursuant to the provisions of Section 136 of the Act, audited financial statements of the Company including consolidated financial statements, other documents required to be attached thereto and audited financial statements of each of the subsidiaries, are available on the website of the Company and may be accessed at <http://www.dlf.in/downloads.aspx>. These documents will also be available for inspection at the Registered Office(s) of the Company and respective subsidiary company between 2.00-4.00 P.M. on all working days.

In terms of the provisions of Listing Regulations, your Company has a policy for determining 'Material Subsidiary' and such policy is available on the Company's website at the link <http://www.dlf.in/images/downloads/Material-Subsidiary-Policy.pdf>.

Your Company has appointed Independent Director(s) in all material subsidiaries in compliance with the provisions of the Listing Regulations.

### **Environment Policy**

The Company has over the years, gone beyond the requirements of law in improving the environment in the ecosystem that it operates in and it has formalized and adopted a Corporate Environment Policy which is also available on the Company's website at the link <http://www.dlf.in/environmental-policy.aspx>.

### **Extract of Annual Return**

The extract of Annual Return in form MGT-9 as provided under Section 92(3) of the Act is at **Annexure-D**.

### **Accolades**

Your Company continues to lead and has received number of awards. Details of major Awards and Accolades received during the year are provided at **Annexure-E**.

### **Business Responsibility Report (BRR)**

The BRR describes the initiatives taken by the Company from social, environmental and governance perspectives, is attached at **Annexure-G** and forms part of the Annual Report.

### **Particulars of Loans, Guarantees and Investments**

Particulars of loans, guarantees and investments have been disclosed in the notes to the standalone financial statements.

### **Transactions with related parties**

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

The Company's policy for related party transactions regulates the transactions between the Company and its related parties. The said policy is available on the Company's website viz. **http://www.dlf.in/images/downloads/RPT-Policy.pdf**. 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 standalone financial statements.

### **Nomination and Remuneration Policy**

The Nomination and Remuneration Policy containing guiding principles for appointment and payment of remuneration to Directors, Senior Management, Key Managerial Personnel and other employees including Non-executive Directors are provided in the Corporate Governance Report. The said

policy is available on the Company's website viz. **http://www.dlf.in/images/downloads/Nomination-and-Remuneration-Policy.pdf**.

### **Board Evaluation**

Pursuant to the provisions of the Act, Regulation 17 & 25 of the Listing Regulations and Guidance Note on Board Evaluation issued by the SEBI vide its circular dated 5 January 2017, the Nomination and Remuneration Committee has devised criteria for evaluation of the performance of Directors including Independent Directors. The Board has carried out the annual performance evaluation of its own performance, its Committees and Directors. The exercise was led by the Lead Independent Director. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, corporate governance & 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.

### **Internal Financial Control**

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 Audit Committee.

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

### **Risk Management**

Pursuant to the requirement of Regulation 21 of the Listing Regulations, Risk Management Committee is responsible to frame, implement, monitor risk management plan and ensure its robust effectiveness. The details of the Committee and its terms of reference are set-out in the Corporate Governance Report as a separate section of this Annual Report.



The Company has established risk management framework which is designed to enable risks to be identified, assessed and mitigated appropriately both in respect of internal and external risks. The respective Function/ Business Unit Head(s) are entrusted with the responsibility of identifying, mitigating and monitoring of risk management. Risk Management forms an integral part of the management policy and is an ongoing process integrated with operations.

The processes and guidelines of the risk management policy/ plan provide a strong overview and monitoring system at Board and senior management levels.

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

#### **Significant and material orders passed by Regulators or Courts**

During the year under review, no significant material orders were passed by the regulators/ courts which would impact the going concern status of the Company and its future operations. However, some of the significant orders are forming part of Note 52 to the standalone financial statements.

#### **Vigil Mechanism**

The Company has a vigil mechanism in the form of Whistle Blower Policy in line with the Act and the Listing Regulations to deal with instances of unethical and/ or improper conduct and actioning suitable steps to investigate and correct the same. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

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

Your Company continues to follow robust Policy on "Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace". The Internal

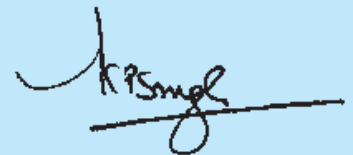
Committee has been constituted as per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, three cases were reported and two were disposed of. The Company continue to promote the cause of women colleagues, through "Jagruti"- an all women's forum for experience sharing, creating awareness on women safety & related issues and celebrating important days dedicated to women and also organizing ongoing workshops on gender sensitivity [approx. 300 employees (male & female) were covered under this].

#### **Acknowledgements**

Your Directors wish to place on record their sincere appreciation to all the employees for their dedication and commitment. The hard work and unstinting efforts of the employees have enabled the Company to sustain and further consolidate its position in the industry.

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

For and on behalf of the Board of Directors



New Delhi  
10 August 2018

(Dr. K.P. Singh)  
Chairman  
(DIN 00003191)

## ANNEXURE – ‘A’

Conservation of energy, technology absorption, foreign exchange earnings and outgo under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

| <b>A. CONSERVATION OF ENERGY</b>  |   |         |
|---|---|---------|
| i) The steps taken or impact on conservation of energy  | During the year, the Company has utilized 2,03,038 KWH of electrical units generated by Solar PV based roof top electrical systems installed at DLF IT Park - II, Kolkata; Mall of India, Noida and Two Horizon Center, Gurugram. |         |
| ii) The steps taken by the Company for utilising alternate sources of energy  | Solar PV based roof top electrical systems of capacity 113.4 KW, 40.32 KW & 15 KW have been installed on the building roof tops of DLF IT Park- II, Kolkata; Mall of India, Noida and Two Horizon Center, Gurugram, respectively. |         |
| iii) The capital investment on energy conservation equipments   | Nil   |         |
| <b>B. TECHNOLOGY ABSORPTION</b>   |   |         |
| i) Efforts made towards technology absorption   | NA  |         |
| ii) Benefits derived like product improvement, cost reduction, product development or import substitution                     | NA  |         |
| iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): | NA  |         |
| a. Details of technology imported;  |   |         |
| b. 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.                                 |   |         |
| iv) the expenditure incurred on Research and Development.   | NA  |         |
| <b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO</b>   |   |         |
|   | (₹ in crores)   |         |
|   | 2017-18   | 2016-17 |
| a) Foreign Exchange earnings  | 1.74  | 37.03   |
| b) Foreign Exchange outgo   | 342.93  | 153.57  |

**SECRETARIAL AUDIT REPORT****(For the Financial Year ended 31 March 2018)****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
 The Members  
 DLF Limited  
 Shopping Mall, 3<sup>rd</sup> Floor  
 Arjun Marg, Phase I  
 DLF City, Gurugram - 122002  
 Haryana

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DLF 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 31 March 2018 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31 March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

I have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India.

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

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specially to the Company:

- (a) The Ancient Monuments and Archeological Sites and Remains Act, 1958;
- (b) Haryana Development & Regulation of Urban Areas Act, 1975;
- (c) Haryana Apartment Ownership Act, 1983;
- (d) Punjab Scheduled and Controlled Area (Restriction of Unregulated Development Act, 1963);
- (e) Control of National Highways (Land & Traffic) Act, 1958; and
- (f) Real Estate (Regulation and Development) Act, 2016.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) 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 operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

The Members of the Company, in their Extra-ordinary General Meeting held on 27 December 2017, had approved:

- by way of Ordinary Resolution, increase in authorized share capital of the Company the "from existing ₹ 5,00,00,00,000 (Rupees Five Hundred Crores only) divided into 2,49,75,00,000 (Two Hundred Forty Nine Crores Seventy Five Lakhs) Equity Shares of ₹ 2/- (Rupees Two only) each and 50,000 (Fifty thousand only) Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each", to "₹ 10,00,00,00,000 (Rupees One Thousand Crores only) divided into 4,99,75,00,000 (Four Hundred Ninety Nine Crores and Seventy Five Lakhs) Equity Shares of ₹ 2/- (Rupees Two only) each and 50,000 (Fifty Thousand only) Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each", by creating additional 2,50,00,00,000 (Two Hundred Fifty Crores) Equity Shares of ₹ 2/- (Rupees Two only) each and consequent amendment in the Clause V of the Memorandum of Association;
- by way of Special Resolution, the issue, offer and allotment in one or more tranches:
  - (a) up to 37,97,46,836 (Thirty Seven Crores Ninety Seven Lakhs Forty Six Thousand Eight Hundred and Thirty Six) fully paid-up Compulsorily Convertible Unsecured Debentures ("CCDs") of ₹ 217.25 (Rupees Two Hundred Seventeen and Twenty Five Paise only) each at par, convertible into equal number of Equity Shares of ₹ 2/- (Rupees Two only) each of the Company; and
  - (b) up to 13,80,89,758 (Thirteen Crores Eighty Lakhs Eighty-Nine Thousand Seven Hundred and Fifty-Eight) warrants ("Warrants") of ₹ 217.25 (Rupees Two Hundred Seventeen and Twenty-Five Paise only) each ("Warrants Issue Price"), exercisable into equal number of Equity Shares of ₹ 2/- (Rupees Two only) each of the Company on a preferential basis to entities belonging to promoter and/ or promoter group; and
- by way of Special Resolution, the offer, issue and allotment of (including with provisions for reservation on firm and/ or competitive basis, of such part of issue and for such categories of persons as may be permitted) of such number of Equity Shares in one or more tranches, either in India or in the course of international offering(s) in one or more foreign markets, for an aggregate issuance of up to 17,30,00,000 (Seventeen Crores Thirty Lakhs only) Equity Shares of ₹ 2/- (Rupees Two only) each by way of public issue or a private placement or a Qualified Institutions Placement in accordance with the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations"), to such investors that may be permitted to invest in such issuance, including eligible Qualified Institutional Buyers as defined in the ICDR Regulations.
- The Board of Directors in its meeting on 29 December 2017:
  - issued and allotted 37,97,46,836 (Thirty-Seven Crores Ninety-Seven Lakhs Forty Six Thousand Eight Hundred and Thirty Six) fully paid-up CCDs of ₹ 217.25 (Rupees Two Hundred Seventeen and Twenty-Five Paise only) each at par, having a coupon of 0.0 1% per annum, payable quarterly up to the date of conversion and convertible into equal number of Equity Shares of ₹ 2/- (Rupees Two only) each of the Company to the promoter and promoter group entities; and
  - issued and allotted 13,80,89,758 (Thirteen Crores Eighty Lakhs Eighty-Nine Thousand Seven Hundred and Fifty Eight) Warrants of ₹ 217.25 (Rupees Two Hundred Seventeen and Twenty-Five Paise only) each, exercisable into equal number of Equity Shares of ₹ 2/- (Rupees Two only) each of the Company to the promoter and promoter group entities.

Pune  
21 May 2018

**Dr. K R Chandratre**  
FCS No. 1370, C P No: 5144

## CORPORATE SOCIAL RESPONSIBILITY

As part of its Corporate Social Responsibility initiatives, DLF Limited has been playing an indispensable role alongside the Governments, civil society and communities to solve complex development challenges faced by the neighbouring communities. The Company has been continuously contributing towards building capacities and creating resources for the marginalized people near its operational areas aligning with its motto of “Building Lives”, while ‘Building India’. The CSR philosophy of DLF seeks to empower the communities across various domains through an integrated and holistic approach so that they are able to realize their full potential and enjoy a good quality of life. The CSR programmes of the Company have been implemented through its CSR arm, DLF Foundation, which aims to contribute for creating sustainable communities and transforming lives for the better. The projects undertaken during the year, have strived to create a positive and lasting impact for the underprivileged sections of the society, so that they are able to improve their quality of life with dignity.

### General

The CSR policy adopted by the Company sets out your Company's vision, mission and the approach, to be adopted while executing the various CSR activities, so that we have been able to create large scale impact on the social and environmental front. Be it nurturing talent, educating the underprivileged, skilling youth, delivering healthcare for the needy, developing smart villages, alleviating urban poverty, protecting the environment, promoting spiritualism and Vedic philosophy and undertaking animal welfare initiatives, the Company has proven to be the leader in CSR in the real estate sector. A brief description about each of our CSR Initiatives under Education, Healthcare, Skilling, Rural Development, Gurugram Rejuvenation, Promoting Vedic Philosophy and Animal welfare are enumerated as under:

### EDUCATION INITIATIVES

The Education initiatives this year included:

#### a. Nurturing Talent Programme

The Nurturing Talent Programme, one of its flagship initiative, that nurtures talents among the meritorious underprivileged has been able to transform several lives during the year. The Programme picks up poor talented children from rural and urban villages and gets them admitted to good private English medium schools in their neighbourhood. Apart from providing educational scholarship they are also provided with continuous handholding, counselling, mentoring and coaching. The aim is to provide them with end-to-end financial and professional support to enable them become leaders of tomorrow in various professional fields. The programme, also picks up meritorious students in professional courses be it engineering, medicine, business studies or other promising graduate and post-graduate courses. Under this programme, DLF has supported 1,021 students at the primary and secondary school and professional colleges level during the year.

#### b. Adoption of Government Schools

DLF Foundation supported infrastructure upgradation and education enhancement project in six Government schools

located in Gurugram, Delhi and Noida and has already committed to adopt further 16 Government schools in the coming year. The projects undertaken in the schools in the form of construction of Drinking water platform, toilet complex for girls, boys and teachers, or painting of the school building, provision of school furniture, upgradation of Library, ICT Room, water Cooler/ water purifier, sports equipment, mike/ sound system and so on have immensely added to providing adequate facilities that would lead to better learning environment. Directly, impacting the quality of education, the initiatives like providing Learning aid, setting-up of Library and Child Resource Centre in schools, organizing motivational sessions for teachers and students have also helped enhancing the quality of education. Over 5,622 students have been impacted during the year through this programme.

#### c. Support to Bridge Schools/ Education Centers

DLF Foundation has been supporting running of Education Centers with the aim of addressing the needs of school dropouts and subsequently facilitate their enrolment in Government schools after enhancing their learning levels. The centers provide free education along with Mid-day-meals and provides remedial classes to over 1090 students through 3 learning centers. The programme also aims to mainstream them in to formal education system.

#### d. Creche-cum-Non-formal Education Centers

Day care facility for children of construction workers are provided at two construction sites near Gurugram and Panchkula. The center organizes many activities for children including medical check-ups and counselling session of parents. A total of 110 children are benefitting from this Programme

#### e. Learning Excellence Programme

The Company supports over 1,800 students with remedial classes in English, Mathematics and Hindi in 33 Government schools, while providing employment to 52 female teachers in rural Gurugram.

### HEALTHCARE INITIATIVES

Healthcare is one of the main CSR initiatives undertaken to cater to the underserved community in Gurugram and across most DLF Projects. The Healthcare interventions this year include:

#### a) Launch of a Mobile Diagnostic Bus for screening of Diabetes, Cancer and other ailments in Gurugram:

DLF Foundation launched the first of its kind Mobile Wellness Unit for residents of Gurugram. The DLF Mobile Wellness Unit is based out of a bus which has remodelled to cater for medical examination and testing of Diabetes and Cancer (Cervical, Breast and Prostate) to ensure early screening and detection of these diseases. Hon'ble Chief Minister of Haryana, Shri Manohar Lal Khattar flagged off DLF Foundation's first of its kind Mobile Wellness Unit (MWU) in Gurugram. The Mobile Wellness Unit provides basic health and testing/ diagnostic facilities to the large slum and village population

of Gurugram in addition to serving DLF City. The Mobile Diagnostic Unit equipped with all testing equipments for basic screening of Diabetes and Cancer including Digital Video Colposcope, an iBreast examination machine, an automatic HB1AC Analyzer and a semi-automated Bio Chemistry Analyzer provides diagnostic services at notional cost which have been subsidized by 80% on C.G.H.S. rates. Manned by a team of doctors, pathologists, nurses and lab technicians, it screened nearly 2,497 beneficiaries this year

- b) **Providing Healthcare through the Primary Health Centres in Gurugram, Delhi and Mohali:** This specifically aims to address the challenges faced by the underprivileged communities residing in rural areas and urban slums. DLF Foundation has been delivering healthcare in Gurugram through a team of doctors and paramedics managing the 10 DLF Primary Health Centres in urban and rural Gurugram which dispensed services to nearly 31,450 beneficiaries this year. DLF Foundation also provided healthcare in Delhi and Mohali through the Primary Health Centres which benefitted 9,840 persons.
- c) **Mobile Medicare Programme:** DLF Foundation provided Medical services at most of the project locations including Gurugram, Delhi, Noida, Lucknow, Panchkula, Kasauli and Indore through the 7 DLF Mobile Medical Units comprising of doctors, paramedics dispensing medical consultation and medicines which benefitted nearly 73,560 persons.
- d) **Mission Stop Dengue:** DLF Foundation in partnership with Medanta launched the “Mission Stop Dengue” a campaign for increasing awareness on the prevention, symptoms and cure of Dengue. The campaign was actively carried forward using multiple platforms. The infomercial on the symptoms and cure of Dengue was telecasted on NDTV 24x7 for about a month. Multiple workshops were organised in schools, villages and RWA's of Gurugram.

The Healthcare initiatives provide the community consultative, diagnostic and counselling services in the vicinity of their habitations. Along with the OPD services, the programme ensures that specific disease and ailments are also treated through activities like multispeciality health camps, eye-care camps and cancer awareness-cum-screening camps.

The programmes also focus on preventive healthcare aspects in terms of promoting healthy lifestyle through counseling of beneficiaries, awareness and advocacy on safe pregnancy, neo-natal care, immunization, institutional delivery, nutrition care, hygiene through outreach activities for children, adolescent girls and women. Activities like anti-larva spray and fumigation are undertaken in pre-monsoon phase to prevent vector borne diseases in coverage area.

## SKILLS PROGRAMME

The Skills Programme initiated for providing skills and training to the underprivileged focused on (a) Imparting skills to Government school children through the Robotics Training Laboratories which were established in 7 Government schools of Gurugram and trained 2,100 students in partnership with India Stem Foundation, (b) Employment linked Skill Centres which focused on training and employment of youth in areas of Retail and Security in partnership with **IndiaCan** and Oriental Education, (c) E Learning Skill Centre

which focused on skilling and training of women and linking them to international education platforms benefitting 300 underprivileged women in partnership with Rural Shores and (d) Upskilling of youth through training in communication and like skills in partnership with British Council. Over 4,000 youth were provided Training under the Skills Programme.

## SENIOR CITIZEN CARE

In order to provide a platform for senior citizens to interact socially, build a support network, boost their self-esteem and lead an active life, DLF Foundation has established the first Senior Citizen Recreation Centre in DLF Phase-II Community Centre. The Centre organized various activities for senior citizens every evening for two hours throughout the year. The Project run in partnership with Dignity Foundation was received with much enthusiasm and witnessed senior citizens stepping out of their houses and engaging with each other.

## SMART VILLAGE PROJECT

Teekli, a village near Badshahpur Tehsil in Gurugram - Sohna road was adopted to transform it into a Model village modelled on Prime Minister's 'Adarsh Gram Yojana' in 2017. Converting this village in to a smart village, several interventions were carried out during the year such as undertaking an Integrated School development project in Government High School with 370 beneficiary students; setting up of a Safe Drinking Water Plant for the Community with over 200 beneficiary community members, operated and maintained by the implementation partner for 20 years. Further, Free Health Clinic (OPD) access and medicines were provided, impacting the lives of over 7,000 beneficiaries. A good Sports facility was created for the village youth to promote rural sports particularly. A Crematorium was also constructed in the village. With the objective of building village leadership an exposure visit and training sessions were also held at Ralegaon Siddhi (village of Shri Anna Hazare).

## GURUGRAM REJUVENATION PROJECT

The Gurugram Rejuvenation Project works across multiple social and environmental themes to change and improve life in Gurugram. The Programme worked and focused on:

- a. **Sustainable Mobility: Decongesting The Road Network:** In order to address the problem of universal access and last mile connectivity, DLF Foundation in collaboration with corporates, research organizations, RWAs and Government Authorities organized a workshop on 'Building Lives by Ensuring Sustainable Mobility' and executed MoUs with **ABInBev** and **Mobike** to introduce last mile connectivity in Gurugram.
- b. **Safer Roads For Gurugram:** Road Safety Week was celebrated from 23 to 30 April 2017 and an MoU was signed with the ABInBev. The working group committee for addressing the issue of road safety in Gurugram is comprised of corporates, institutions and other R&D organizations. The technical study for the identification of the black spots was conducted by CRRI and IRSC, New Delhi. In addition, driver's sensitization programmes were conducted by SRF. DLF Foundation facilitated the surveys conducted for the detailed study. As part of the outreach program, DLF Foundation along with DLF Cybercity and IRSC organized the “Nukkad Natak” and flash mobs in cyber hub and cyber greens, Gurugram.

- c. **Air Quality Monitoring (AQ):** AQ Monitors have been installed in association with Atlanta Healthcare in four phases of the DLF City, Gurugram, to promote low carbon mobility and monitor the AQ in the identified areas.
- d. **Decentralized-Waste Management:** In order to deploy decentralized liquid and solid waste management strategies, DLF Foundation has been working with close co-ordination with the RWAs and **Green Bandhu**. As part of the pilot project, **Green Bandhu** has implemented the system in DLF Phase-I.
- e. **Bio-diversity Mapping of Magnolias and Nearby areas of DLF City, Gurugram:** BNHS and DLF Foundation are actively involved in numerous projects to greatly impact the bio-diversity of the city. A baseline survey of the areas around DLF was conducted to get a basic idea on species diversity of plants, birds, mammals and butterflies. The ongoing study will be part of a multi-pronged approach targeting local sites and dynamically enhancing their eco system services.
- f. **Transformation of Najafgarh Basin:** The Programme has collaborated with various private and public organizations and stakeholders. One of the key highlights was the launch of white paper on 'Transformation of Najafgarh Basin' on 14 December 2017, which has resulted in bringing together multiple stakeholders, research organizations and corporates to formulate wetland conservation and re-generation strategy of the identified area.

## **INSTITUTE FOR PROMOTION OF ART, CULTURE, SPIRITUALITY AND LEADERSHIP BASED ON VEDIC PHILOSOPHY**

A Project on establishment of an Institute for imparting and sharing knowledge of Art, Culture, Spirituality, Healthy living and Ethical Leadership based on India's ancient Vedic

Philosophy was initiated this year. It is felt that Vedic learning will enable people to develop the intellect - the capacity to think, reason, judge and decide. Only then will intelligence take the right direction in life making one successful and peaceful in this world. However, the teachings need to be adapted and applied in the modern context. The Institute is proposed to address this imminent need by promoting and creating platforms for knowledge dissemination ensuring ethical leadership, balanced growth and a healthy, peaceful and happy life. The Institute is being planned with the objective of creating a complete knowledge platform and courses on Vedanta philosophy using modern technology, promoting ethical principles Governing Business & Relationships, Promoting Human Values for Youth to promote leadership, Promoting Value Education Ethics for Children for ensuring a balanced and healthy life through focus on physical and spiritual wellbeing.

## **VETERINARY HOSPITAL**

The CGS Hospital provides a complete health care solution for dogs and cats in Delhi NCR. With the aim to provide quality veterinary treatment under one roof for companion animals, the Hospital had a total footfall of 16,937 cases in 2017-18, of which 1,139 were stray cats and dogs. CGS Pet clinic, a branch of CGS Hospital was inaugurated in October 2017 and has provided exceptional veterinary services to residents in its vicinity. The latest advancements in veterinary medicine like Ultrasonography, Endoscopy, Laparoscopy, minimally invasive orthopedic surgery are routinely performed. Under this project, the Hospital provides free out-patient treatment and concessions on surgeries for stray dogs and cats. Free vaccination and sterilization projects for stray dogs and cats were performed during the year. Apart from pro bono treatment, general awareness of zoonotic diseases, pet care and management information was imparted to pet parents and visiting school children.

### **Annual Report on Corporate Social Responsibility (CSR) Activities for the FY 2017-18**

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

DLF has been continuously involved in holistic development of the nation with special focus on communities where it operates its business. DLF furthered its deliverables on social responsibility with strengthening of initiatives for improving lives of undeserved and marginalized communities. The social initiatives undertaken this year encompassed interventions in education, healthcare and promoting, art, culture, spirituality and leadership based on Vedic Philosophy.

CSR Policy weblink: <http://www.dlf.in/downloads.aspx/>

2. **The Composition of the CSR Committee.**

Dr. K.P. Singh, Ms. Pia Singh, Mr. Mohit Gujral, Mr. Rajeev Talwar, Mr. Pramod Bhasin and Mr. Ved Kumar Jain.

3. **Average net profit of the Company for last three financial years:** ₹ 632.81 crore
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** ₹ 12.66 crore
5. **Details of CSR spent during the financial year:**
  - a) **Total amount to be spent for the financial year:** ₹ 12.66 crore
  - b) **Amount unspent, if any:** Nil

c) Manner in which the amount spent during the financial year is as follows:

(₹ in lakhs)

| DETAILS OF EXPENDITURE |   |  |   |                |                        |  |           |                    |   |
|------------------------|---|--|---|----------------|------------------------|--|-----------|--------------------|---|
| S. No.                 | Programme Name  | CSR project or Activity identified   | Sector in which the project is covered  | Area/ Location | Amount Outlay (Budget) | Direct expenditure on projects or programme* | Overheads | Cumulative Expense | Amount spent: Direct or through implementing agency |
| 1.                     | <b>Setting-up of an Institute on Vedic Philosophy</b> | An institute for promoting art, culture, spirituality and leadership based on Vedic Philosophy | Promoting healthcare, education, ancient philosophy, art & culture, spirituality and leadership based on Vedic Philosophy | Delhi, NCR     | 1,266.00               | 1,266.00                                     | -         | 1,266.00           | DLF Foundation                                      |
| <b>Total</b>           |   |  |   |                | <b>1,266.00</b>        | <b>1,266.00</b>                              | <b>-</b>  | <b>1,266.00</b>    |   |

\* The Company has contributed to the corpus with DLF Foundation for setting-up of an Institute for promoting healthcare, education, ancient philosophy, art, culture, spirituality and leadership based on Vedic Philosophy.

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

**(Mohit Gujral)**  
CEO & Whole-time Director  
(DIN 00051538)

**(Rajeev Talwar)**  
CEO & Whole-time Director  
(DIN 01440785)

**(Dr. K.P. Singh)**  
Chairman, CSR Committee  
(DIN 00003191)



# ANNEXURE – ‘D’

## FORM MGT-9

### Extract of Annual Return

(as on the financial year ended on 31 March 2018)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. Registration and other details

|    |   |  |
|----|---|--|
| 1. | CIN   | L70101HR1963PLC002484  |
| 2. | Registration Date   | 4 July 1963  |
| 3. | Name of the Company   | DLF Limited  |
| 4. | Category/ Sub-Category of the Company   | Public Company, Limited by Shares  |
| 5. | Address of the Registered Office and contact details                            | Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, Phase - I, DLF City, Gurugram - 122002, Haryana:<br>Ph: +91-124-4334200<br>website: <a href="http://www.dlf.in">www.dlf.in</a> ;<br>e-mail: <a href="mailto:investor-relations@dlf.in">investor-relations@dlf.in</a>   |
| 6. | Whether listed Company  | Yes  |
| 7. | Name, Address and Contact details of Registrar and Share Transfer Agent, if any | Karvy Computershare Private Limited (Karvy Selenium Tower B), Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, Phone No. 040-67161514;<br>Fax No. 040-23420814;<br>e-mail: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> ;<br>Contact Person: Ms. Varalakshmi, Assistant General Manager (RIS);<br>website: <a href="http://www.karvy.com">www.karvy.com</a> |

#### II. Principal business activities of the Company

| S. No. | Name and Description of main Product | NIC code of the Product                                  | % to total turnover of the Company |
|--------|--------------------------------------|--|------------------------------------|
| 1.     | Real Estate Activities               | 681-Real Estate activities with own and lease properties | 100                                |

#### III. Particulars of Holding, Subsidiary and Associate Companies

##### A. Holding Company under Section 2(46) of the Companies Act, 2013

| S. No. | Name and Address of the company  | CIN/ GLN              | % of Total Share Capital |
|--------|--|-----------------------|--------------------------|
| 1.     | Rajdhani Investments & Agencies Private Limited<br>MC Shah House, 1/B, FF, Avantika Society Nr. Naranpura<br>Railway Crossing, Naranpura, Ahmedabad- 380013, Gujarat | U65993GJ1972PTC097502 | 54.07                    |

##### B. Subsidiaries under Section 2(87) of the Companies Act, 2013

| S. No. | Name and Address of the company   | CIN/ GLN              | % of Share Capital |        |
|--------|---|-----------------------|--------------------|--------|
|        |   |                       | Equity             | Total* |
| 1.     | Aadarshini Real Estate Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055       | U74899DL2005PTC143655 | 100.00             | 100.00 |
| 2.     | Abhigyan Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055          | U45201DL2005PTC140784 | 100.00             | 100.00 |
| 3.     | Abhiraj Real Estate Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055                     | U45201DL2005PTC143656 | 100.00             | 100.00 |
| 4.     | Adeline Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055           | U45201DL2006PTC147561 | 100.00             | 100.00 |
| 5.     | Americus Real Estate Private Limited<br>1 <sup>st</sup> Floor, Gateway Tower, R Block, DLF City, Phase III, Gurugram - 122002 | U70102HR2007PTC036801 | 100.00             | 100.00 |

| S. No. | Name and Address of the company  | CIN/ GLN              | % of Share Capital |        |
|--------|--|-----------------------|--------------------|--------|
|        |  |                       | Equity             | Total* |
| 6.     | Amishi Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2005PTC143529 | 100.00             | 100.00 |
| 7.     | Angelina Real Estates Private Limited<br>15, Shivaji Marg, New Delhi - 110015  | U45201DL2006PTC147919 | 100.00             | 100.00 |
| 8.     | Ariadne Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45200DL2007PTC158014 | 100.00             | 100.00 |
| 9.     | Armand Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC148072 | 100.00             | 100.00 |
| 10.    | Balaji Highways Holding Private Limited<br>6-3-1090, T.S.R Towers, Rajbhavan Road, Hyderabad - 500 082, Telangana  | U45400TG2010PTC068181 | 51.00              | 51.00  |
| 11.    | Benedict Estates Developers Private Limited<br>1E, Jhandewalan Extension, New Delhi - 110055   | U45201DL2006PTC148049 | 100.00             | 100.00 |
| 12.    | Beyla Builders & Developers Private Limited<br>15, Shivaji Marg, New Delhi - 110015  | U45201DL2006PTC147959 | 100.00             | 100.00 |
| 13.    | Bhamini Real Estate Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2006PTC147562 | 100.00             | 100.00 |
| 14.    | Breeze Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2005PTC135476 | 100.00             | 100.00 |
| 15.    | Caraf Builders & Constructions Private Limited<br>10 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002  | U45201HR2006PTC066880 | 66.66              | 61.57  |
| 16.    | Chakradharee Estates Developers Private Limited<br>1E, Jhandewalan Extension, New Delhi - 110055   | U45201DL2006PTC148056 | 100.00             | 100.00 |
| 17.    | Chandrajyoti Estate Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2006PTC147359 | 100.00             | 100.00 |
| 18.    | Dae Real Estates Private Limited<br>1E, Jhandewalan Extension, New Delhi - 110055  | U45201DL2006PTC147663 | 100.00             | 100.00 |
| 19.    | Dalmia Promoters and Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U74899DL1989PTC035211 | 100.00             | 100.00 |
| 20.    | Delanco Home and Resorts Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2006PTC147914 | 100.00             | 100.00 |
| 21.    | Delanco Realtors Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2006PTC148944 | 100.00             | 100.00 |
| 22.    | Deltaland Buildcon Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2006PTC148593 | 100.00             | 100.00 |
| 23.    | DLF Aspenwal Hotels Private Limited<br>Office Premises Number 221, 2 <sup>nd</sup> Floor, Shopping Mall, Arjun Marg, DLF City Phase I, Gurugram - 122002   | U55101HR2007PTC037131 | 100.00             | 100.00 |
| 24.    | DLF Assets Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2006PTC147392 | 66.66              | 61.57  |
| 25.    | DLF Builders and Developers Private Limited<br>(formerly SC Hospitality Private Limited)<br>Office Premises Number 221, 2 <sup>nd</sup> Floor, Shopping Mall, Arjun Marg, DLF City, Phase I, Gurugram - 122002 | U70200HR2011PTC043061 | 98.96              | 98.96  |
| 26.    | DLF City Centre Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U70102DL2008PLC180096 | 66.66              | 61.57  |
| 27.    | DLF Cochin Hotels Private Limited<br>Office Premises Number 221, 2 <sup>nd</sup> Floor, Shopping Mall, Arjun Marg, DLF City Phase I, Gurugram - 122002   | U55101HR2007PTC037153 | 100.00             | 100.00 |

| S. No. | Name and Address of the company  | CIN/ GLN              | % of Share Capital |        |
|--------|--|-----------------------|--------------------|--------|
|        |  |                       | Equity             | Total* |
| 28.    | DLF Commercial Developers Limited<br>DLF Centre, Sansad Marg, 9 <sup>th</sup> Floor, New Delhi - 110001  | U70101DL2002PLC113636 | 100.00             | 100.00 |
| 29.    | DLF Cyber City Developers Limited<br>10 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002   | U45201HR2006PLC036074 | 66.66              | 61.57  |
| 30.    | DLF Emporio Limited<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002  | U74920HR1999PLC034168 | 66.66              | 61.57  |
| 31.    | DLF Emporio Restaurants Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U55101DL2006PLC152477 | 100.00             | 100.00 |
| 32.    | DLF Energy Private Limited<br>10 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002  | U74110HR2011PTC044012 | 100.00             | 100.00 |
| 33.    | DLF Estate Developers Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001   | U74999DL1989PLC036260 | 100.00             | 100.00 |
| 34.    | DLF Finvest Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001   | U72200DL2005PLC136111 | 100.00             | 100.00 |
| 35.    | DLF Garden City Indore Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2005PTC143585 | 100.00             | 100.00 |
| 36.    | DLF Golf Resorts Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001  | U92411DL1998PLC096436 | 100.00             | 100.00 |
| 37.    | DLF Home Developers Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001   | U74899DL1995PLC075028 | 100.00             | 100.00 |
| 38.    | DLF Homes Goa Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U99999DL2006PTC147891 | 100.00             | 100.00 |
| 39.    | DLF Homes Kokapet Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147571 | 100.00             | 100.00 |
| 40.    | DLF Homes Services Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70102DL2007PTC161492 | 100.00             | 100.00 |
| 41.    | DLF Info City Chennai Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001   | U70109DL2017PLC324555 | 100.00             | 100.00 |
| 42.    | DLF Info City Developers (Chandigarh) Limited<br>Plot No. 2, Rajiv Gandhi Chandigarh Technology Park, Chandigarh - 160101  | U00000CH2003PLC026562 | 66.66              | 61.57  |
| 43.    | DLF Info City Developers (Kolkata) Limited<br>10 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002  | U45202HR2004PLC035288 | 66.66              | 61.57  |
| 44.    | DLF Info City Hyderabad Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001   | U70200DL2017PLC324756 | 100.00             | 100.00 |
| 45.    | DLF Info Park (Pune) Limited<br>Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400093   | U45202MH2010PLC211670 | 100.00             | 100.00 |
| 46.    | DLF Info Park Developers (Chennai) Limited<br>Old No.828 & 828A, New No.268 & 268A "Sri Ranga" Poonamallee High Road, Kilpauk Chennai - 600010                           | U45200TN2008PLC067001 | 100.00             | 100.00 |
| 47.    | DLF Lands India Private Limited (formerly Berenice Real Estate Private Limited)<br>1 <sup>st</sup> Floor, Gateway Tower, R Block, DLF City, Phase III, Gurugram - 122002 | U70102HR2007PTC036798 | 100.00             | 100.00 |
| 48.    | DLF Luxury Homes Limited (formerly DLF GK Residency Limited)<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055                                       | U70109DL2013PLC258889 | 100.00             | 100.00 |
| 49.    | DLF Midtown Private Limited<br>15, Shivaji Marg, New Delhi - 110015  | U70102DL2015PTC278986 | 50.00              | 50.00  |
| 50.    | DLF Phase-IV Commercial Developers Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001  | U45201DL2002PLC116394 | 100.00             | 100.00 |

| S. No. | Name and Address of the company   | CIN/ GLN              | % of Share Capital |        |
|--------|---|-----------------------|--------------------|--------|
|        |   |                       | Equity             | Total* |
| 51.    | DLF Power & Services Limited<br>10 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002   | U74110HR2016PLC063747 | 66.66              | 61.57  |
| 52.    | DLF Projects Limited<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002  | U45201HR2006PLC036025 | 100.00             | 100.00 |
| 53.    | DLF Promenade Limited<br>(formerly Beverly Park Maintenance Services Limited)<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002 | U74920HR1999PLC034138 | 66.66              | 61.57  |
| 54.    | DLF Property Developers Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45200DL2008PLC181605 | 100.00             | 100.00 |
| 55.    | DLF Real Estate Builders Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U70200DL2008PLC182853 | 99.99              | 99.99  |
| 56.    | DLF Recreational Foundation Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U92490DL2008PLC181466 | 85.00              | 85.00  |
| 57.    | DLF Residential Builders Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45200DL2008PLC181609 | 100.00             | 100.00 |
| 58.    | DLF Residential Developers Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45200DL2008PLC181611 | 100.00             | 100.00 |
| 59.    | DLF Residential Partners Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45400DL2008PLC181606 | 100.00             | 100.00 |
| 60.    | DLF South Point Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001  | U70109DL2013PLC259262 | 100.00             | 100.00 |
| 61.    | DLF Southern Towns Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC148094 | 100.00             | 100.00 |
| 62.    | DLF Universal Limited<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002   | U65993HR1980PLC034800 | 100.00             | 100.00 |
| 63.    | DLF Urban Private Limited<br>15, Shivaji Marg, New Delhi - 110015   | U70109DL2015PTC279007 | 50.00              | 50.00  |
| 64.    | DLF Utilities Limited<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002   | U01300HR1989PLC030646 | 100.00             | 100.00 |
| 65.    | Domus Real Estate Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U00082DL2005PTC140528 | 100.00             | 100.00 |
| 66.    | Eastern India Powertech Limited<br>7 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002   | U40100HR1988PLC032877 | 100.00             | 100.00 |
| 67.    | Edward Keventer (Successors) Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U74899DL1946PTC001029 | 100.00             | 100.00 |
| 68.    | Elvira Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2006PTC148064 | 100.00             | 100.00 |
| 69.    | Faye Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2006PTC148115 | 100.00             | 100.00 |
| 70.    | Galleria Property Management Services Private Limited<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002                         | U74920HR1999PTC034169 | 72.22              | 72.22  |
| 71.    | Ghaliya Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45400DL2007PTC161589 | 100.00             | 100.00 |
| 72.    | Hansel Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147763 | 100.00             | 100.00 |
| 73.    | Isabel Builders & Developers Private Limited<br>1E Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2006PTC147285 | 100.00             | 100.00 |

| S. No. | Name and Address of the company   | CIN/ GLN              | % of Share Capital |        |
|--------|---|-----------------------|--------------------|--------|
|        |   |                       | Equity             | Total* |
| 74.    | Kolkata International Convention Centre Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2005PLC137339 | 99.99              | 99.99  |
| 75.    | Lada Estates Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U74999DL2007PTC161797 | 100.00             | 100.00 |
| 76.    | Latona Builders & Constructions Private Limited<br>15, Shivaji Marg, Moti Nagar, New Delhi - 110 015  | U45201DL2006PTC148108 | 100.00             | 100.00 |
| 77.    | Lear Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45200DL2006PTC155587 | 100.00             | 100.00 |
| 78.    | Lempo Buildwell Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2007PTC161568 | 100.00             | 100.00 |
| 79.    | Liber Buildwell Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45400DL2007PTC161518 | 100.00             | 100.00 |
| 80.    | Livana Builders & Developers Private Limited<br>15, Shivaji Marg, Moti Nagar, New Delhi - 110015  | U45201DL2006PTC148150 | 100.00             | 100.00 |
| 81.    | Lizebeth Builders & Developers Private Limited<br>15, Shivaji Marg, Moti Nagar, New Delhi - 110015  | U45201DL2006PTC148045 | 100.00             | 100.00 |
| 82.    | Lodhi Property Company Limited<br>304, Shoppers Plaza V, Opp. Municipal Market, Govt. Servant Co-Op Society,<br>C G Road, Navrangpura, Ahmedabad, Gujrat - 380009 | U74110GJ2001PLC096846 | 100.00             | 100.00 |
| 83.    | Mariabella Builders & Developers Private Limited<br>15, Shivaji Marg, New Delhi-110015  | U45201DL2006PTC147980 | 100.00             | 100.00 |
| 84.    | Melosa Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC148050 | 100.00             | 100.00 |
| 85.    | Mens Buildcon Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U74999DL2007PTC161780 | 100.00             | 100.00 |
| 86.    | Nambi Buildwell Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45400DL2007PTC161498 | 100.00             | 100.00 |
| 87.    | Narooma Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45200DL2006PTC155584 | 100.00             | 100.00 |
| 88.    | Nellis Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147414 | 100.00             | 100.00 |
| 89.    | Niobe Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45200DL2006PTC156073 | 100.00             | 100.00 |
| 90.    | Nudhar Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45200DL2006PTC155589 | 100.00             | 100.00 |
| 91.    | Paliwal Developers Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001   | U74899DL2003PLC123063 | 100.00             | 100.00 |
| 92.    | Paliwal Real Estate Limited<br>DLF Centre, Sansad Marg, New Delhi - 110001  | U45201DL2003PLC123061 | 100.00             | 100.00 |
| 93.    | Phoena Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45200DL2006PTC156121 | 100.00             | 100.00 |
| 94.    | Pyrite Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70102DL2007PTC158415 | 100.00             | 100.00 |
| 95.    | Qabil Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147606 | 100.00             | 100.00 |
| 96.    | Rachelle Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45200DL2007PTC158241 | 100.00             | 100.00 |

| S. No. | Name and Address of the company   | CIN/ GLN              | % of Share Capital |        |
|--------|---|-----------------------|--------------------|--------|
|        |   |                       | Equity             | Total* |
| 97.    | Richmond Park Property Management Services Limited<br>Shopping Mall, 3 <sup>rd</sup> Floor, Arjun Marg, DLF City, Phase-I, Gurugram - 122002                | U74920HR1999PLC034194 | 66.66              | 61.57  |
| 98.    | Riveria Commercial Developers Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U74110DL2007PLC158911 | 100.00             | 100.00 |
| 99.    | Rochelle Builders & Constructions Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055                                     | U45201DL2006PTC147352 | 100.00             | 100.00 |
| 100.   | Royalton Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U70101DL2005PTC136720 | 100.00             | 100.00 |
| 101.   | Saket Holidays Resorts Private Limited<br>Office Premises Number 221, 2 <sup>nd</sup> Floor, Shopping Mall, Arjun Marg, DLF City Phase I, Gurugram - 122002 | U55101HR2007PTC037129 | 100.00             | 100.00 |
| 102.   | Shivaji Marg Maintenance Services Limited<br>10 <sup>th</sup> Floor, Gateway Tower, DLF City, Phase III, Gurugram - 122002                                  | U9300HR2004PLC035515  | 100.00             | 100.00 |
| 103.   | Urvasi Infratech Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45400DL2007PTC161790 | 100.00             | 100.00 |
| 104.   | Vibodh Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U70101DL2005PTC139834 | 100.00             | 100.00 |
| 105.   | Vkarma Capital Investment Management Company Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055                          | U45201DL2006PTC147349 | 100.00             | 100.00 |
| 106.   | Vkarma Capital Trustee Company Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147390 | 100.00             | 100.00 |
| 107.   | Webcity Builders & Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055   | U45201DL2005PTC139867 | 100.00             | 100.00 |

\*Total Share Capital means paid-up equity share capital and convertible preference share capital.

### C. Associate Companies (including Joint Venture Companies) under Section 2(6) of the Companies Act, 2013

| S. No. | Name and Address of the company  | CIN                   | % of Total Share Capital |
|--------|--|-----------------------|--------------------------|
| 1.     | Designplus Associates Services Private Limited<br>(formerly Designplus Architecture Private Limited)<br>149-D, Phase III, Okhla Industrial Estate, New Delhi -110020 | U74210DL2008PTC174330 | 42.49                    |
| 2.     | DLF Gayatri Home Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147560 | 50.00                    |
| 3.     | DLF Homes Panchkula Private Limited<br>2 <sup>nd</sup> Floor, DLF Gateway Tower, DLF City Phase III, NH 8,<br>Gurugram - 122002, Haryana                             | U45400HR2007PTC038443 | 39.54                    |
| 4.     | DLF SBPL Developers Private Limited<br>1E, Jhandewalan Extension, Naaz Cinema Complex, New Delhi - 110055  | U45201DL2006PTC147536 | 50.00                    |
| 5.     | Joyous Housing Limited<br>Tulsiwadi Project Office, Ambedkar Nagar, S.K. Rathod Marg, Behind<br>Income Tax Office, Tardeo, Mumbai - 400034, Maharashtra              | U70100MH1995PLC092856 | 37.50                    |
| 6.     | YG Reality Private Limited<br>Mohinder Puri & Co. 1A-D, Vandhna Building, 11 Tolstoy Marg,<br>New Delhi - 110001   | U70200DL2007PTC161665 | 50.00                    |
| 7.     | Daffodil Hotels Private Limited#<br>DSM 510, DLF Towers, 15 Shivaji Marg, Najafgarh Road, New Delhi - 110015   | U55101DL2011PTC224114 | 74.00                    |
| 8.     | Arizona Globalservices Private Limited#<br>Flat No. 211, 2nd Floor, Hemkunt Chamber, 89, Nehru Place,<br>New Delhi - 110019  | U64200DL2011PTC213734 | 66.67                    |

# Investment by DLF Commercial Projects Corporation, a partnership firm.

III.A. Names of companies which have become or ceased to be subsidiaries, joint ventures or associates

A. Companies which have become subsidiaries during FY 2017-18

| S. No. | Name                            | S. No. | Name  |
|--------|---------------------------------|--------|---|
| 1.     | DLF Info City Chennai Limited   | 4.     | DLF Urban Private Limited                       |
| 2.     | DLF Info City Hyderabad Limited | 5.     | Kolkata International Convention Centre Limited |
| 3.     | DLF Midtown Private Limited     |        |   |

B. Companies which have ceased to be subsidiaries during FY 2017-18

| S. No. | Name  | S. No. | Name  |
|--------|---|--------|---|
| 1.     | DLF Global Hospitality Limited                    | 5.     | Sahastrajit Builders & Developers Private Limited |
| 2.     | DLF Hotel Holdings Limited                        | 6.     | Seaberi Builders & Developers Private Limited     |
| 3.     | Hyacinthia Real Estate Developers Private Limited | 7.     | Silverlink (Mauritius) Limited                    |
| 4.     | Kavicon Partners Limited                          |        |   |

C. Companies which have become associate company during FY 2017-18: Nil

D. Companies which have ceased to be associate company during FY 2017-18

| S. No. | Name                        | S. No. | Name                      |
|--------|-----------------------------|--------|---------------------------|
| 1.     | DLF Midtown Private Limited | 2.     | DLF Urban Private Limited |

IV. Shareholding Pattern (Equity Shares)

(i) Category-wise Shareholding

| S. No. | Category of shareholder                               | No. of shares held at the beginning of the year<br>01.04.2017 |          |                       |                   | No. of shares held at the end of the year<br>31.03.2018 |          |                       |                   | % change during the year |
|--------|---|---|----------|-----------------------|-------------------|---|----------|-----------------------|-------------------|--------------------------|
|        |   | Demat   | Physical | Total                 | % of total shares | Demat   | Physical | Total                 | % of total shares |                          |
| (A)    | <b>Promoter and Promoter Group</b>                    |   |          |                       |                   |   |          |                       |                   |                          |
| (1)    | <b>Indian</b>   |   |          |                       |                   |   |          |                       |                   |                          |
| (a)    | Individual/ HUF                                       | 6,33,38,260   | 0        | 6,33,38,260           | 3.55              | 6,33,38,260   | 0        | 6,33,38,260           | 3.55              | 0.00                     |
| (b)    | Central Government/<br>State Government(s)            | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
| (c)    | Bodies Corporate                                      | 1,27,36,76,860  | 0        | 1,27,36,76,860        | 71.40             | 1,27,36,76,860  | 0        | 1,27,36,76,860        | 71.40             | 0.00                     |
| (d)    | Financial Institutions/<br>Banks                      | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
| (e)    | Others  | 88,000  | 0        | 88,000                | 0.00              | 88,000  | 0        | 88,000                | 0.00              | 0.00                     |
|        | <b>Sub-Total A(1)</b>                                 | <b>1,33,71,03,120</b>   | <b>0</b> | <b>1,33,71,03,120</b> | <b>74.95</b>      | <b>1,33,71,03,120</b>                                   | <b>0</b> | <b>1,33,71,03,120</b> | <b>74.95</b>      | <b>0.00</b>              |
| (2)    | <b>Foreign</b>  |   |          |                       |                   |   |          |                       |                   |                          |
| (a)    | Individuals (NRIs/<br>Foreign Individuals)            | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
| (b)    | Bodies Corporate                                      | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
| (c)    | Institutions  | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
| (d)    | Qualified Foreign<br>Investor                         | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
| (e)    | Others  | 0   | 0        | 0                     | 0.00              | 0   | 0        | 0                     | 0.00              | 0.00                     |
|        | <b>Sub-Total A(2)</b>                                 | <b>0</b>  | <b>0</b> | <b>0</b>              | <b>0.00</b>       | <b>0</b>  | <b>0</b> | <b>0</b>              | <b>0.00</b>       | <b>0.00</b>              |
|        | <b>Total Shareholding of<br/>Promoter A=A(1)+A(2)</b> | <b>1,33,71,03,120</b>   | <b>0</b> | <b>1,33,71,03,120</b> | <b>74.95</b>      | <b>1,33,71,03,120</b>                                   | <b>0</b> | <b>1,33,71,03,120</b> | <b>74.95</b>      | <b>0.00</b>              |

| S. No.     | Category of shareholder  | No. of shares held at the beginning of the year<br>01.04.2017 |                  |                       |                   | No. of shares held at the end of the year<br>31.03.2018 |                  |                       |                   | % change during the year |
|------------|--|---|------------------|-----------------------|-------------------|---|------------------|-----------------------|-------------------|--------------------------|
|            |  | Demat   | Physical         | Total                 | % of total shares | Demat   | Physical         | Total                 | % of total shares |                          |
| <b>(B)</b> | <b>Public Shareholding</b>   |   |                  |                       |                   |   |                  |                       |                   |                          |
| <b>(1)</b> | <b>Institutions</b>  |   |                  |                       |                   |   |                  |                       |                   |                          |
| (a)        | Mutual Funds/ UTI  | 80,81,809   | 0                | 80,81,809             | 0.45              | 3,55,84,641   | 0                | 3,55,84,641           | 1.99              | 1.54                     |
| (b)        | Financial Institutions/ Banks  | 23,87,574   | 0                | 23,87,574             | 0.13              | 24,19,073   | 0                | 24,19,073             | 0.14              | 0.01                     |
| (c)        | Central Government/ State Government(s)  | 0   | 0                | 0                     | 0.00              | 0   | 0                | 0                     | 0.00              | 0.00                     |
| (d)        | Venture Capital Funds  | 0   | 0                | 0                     | 0.00              | 0   | 0                | 0                     | 0.00              | 0.00                     |
| (e)        | Insurance Companies  | 27,87,371   | 0                | 27,87,371             | 0.16              | 20,65,571   | 0                | 20,65,571             | 0.12              | -0.04                    |
| (f)        | Foreign Institutional Investors  | 32,38,05,482  | 0                | 32,38,05,482          | 18.15             | 28,98,97,622  | 0                | 28,98,97,622          | 16.25             | -1.90                    |
| (g)        | Foreign Venture Capital Funds  | 0   | 0                | 0                     | 0.00              | 0   | 0                | 0                     | 0.00              | 0.00                     |
| (h)        | Others   | 0   | 0                | 0                     | 0.00              | 0   | 0                | 0                     | 0.00              | 0.00                     |
|            | <b>Sub-Total B(1)</b>  | <b>33,70,62,236</b>   | <b>0</b>         | <b>33,70,62,236</b>   | <b>18.89</b>      | <b>32,99,66,907</b>                                     | <b>0</b>         | <b>32,99,66,907</b>   | <b>18.50</b>      | <b>-0.39</b>             |
| <b>(2)</b> | <b>Non-Institutions</b>  |   |                  |                       |                   |   |                  |                       |                   |                          |
| (a)        | Bodies Corporate   | 1,43,78,660   | 6,050            | 1,43,84,710           | 0.81              | 1,49,39,471   | 6,000            | 1,49,45,471           | 0.84              | 0.03                     |
| (b)        | Individuals  |   |                  |                       |                   |   |                  |                       |                   |                          |
| (i)        | Individuals holding nominal share capital up to ₹ 1 lakh                             | 5,36,05,802   | 15,47,651        | 5,51,53,453           | 3.10              | 4,82,12,533   | 12,80,402        | 4,94,92,935           | 2.77              | -0.33                    |
| (ii)       | Individuals holding nominal share capital in excess of ₹ 1 lakh                      | 3,19,01,044   | 19,42,160        | 3,38,43,204           | 1.90              | 4,67,57,557   | 18,87,160        | 4,86,44,717           | 2.73              | 0.83                     |
| (c)        | Others   |   |                  |                       |                   |   |                  |                       |                   |                          |
| (i)        | Clearing Members   | 37,94,209   | 0                | 37,94,209             | 0.21              | 8,00,483  | 0                | 8,00,483              | 0.04              | -0.17                    |
| (ii)       | Foreign Nationals  | 17,600  | 32,000           | 49,600                | 0.00              | 17,599  | 32,000           | 49,599                | 0.00              | 0.00                     |
| (iii)      | Investor Education and Protection Fund   | 0   | 0                | 0                     | 0.00              | 5,89,528  | 0                | 5,89,528              | 0.03              | 0.03                     |
| (iv)       | Non Resident Indians   | 18,21,767   | 8,000            | 18,29,767             | 0.10              | 15,51,396   | 8,000            | 15,59,396             | 0.09              | -0.01                    |
| (v)        | NRI Non-Repatriation   | 7,66,426  | 0                | 7,66,426              | 0.04              | 9,03,431  | 0                | 9,03,431              | 0.05              | 0.01                     |
| (vi)       | Overseas Corporate Bodies  | 11  | 0                | 11                    | 0.00              | 11  | 0                | 11                    | 0.00              | 0.00                     |
| (vii)      | Trusts   | 16,354  | 0                | 16,354                | 0.00              | 11,430  | 0                | 11,430                | 0.00              | 0.00                     |
|            | <b>Sub-Total B(2)</b>  | <b>10,63,01,873</b>   | <b>35,35,861</b> | <b>10,98,37,734</b>   | <b>6.16</b>       | <b>11,37,83,439</b>                                     | <b>32,13,562</b> | <b>11,69,97,001</b>   | <b>6.55</b>       | <b>0.39</b>              |
|            | <b>Total Public Shareholding B=B(1)+B(2)</b>   | <b>44,33,64,109</b>   | <b>35,35,861</b> | <b>44,68,99,970</b>   | <b>25.05</b>      | <b>44,37,50,346</b>                                     | <b>32,13,562</b> | <b>44,69,63,908</b>   | <b>25.05</b>      | <b>0.00</b>              |
|            | <b>Total (A+B)</b>   | <b>1,78,04,67,229</b>   | <b>35,35,861</b> | <b>1,78,40,03,090</b> | <b>100.00</b>     | <b>1,78,08,53,466</b>                                   | <b>32,13,562</b> | <b>1,78,40,67,028</b> | <b>100.00</b>     | <b>0.00</b>              |
| <b>(C)</b> | <b>Shares held by custodians, against which Depository Receipts have been issued</b> | -   | -                | -                     | -                 | -   | -                | -                     | -                 | -                        |
|            | <b>GRAND TOTAL (A+B+C)</b>   | <b>1,78,04,67,229</b>   | <b>35,35,861</b> | <b>1,78,40,03,090</b> | <b>100.00</b>     | <b>1,78,08,53,466</b>                                   | <b>32,13,562</b> | <b>1,78,40,67,028</b> | <b>100.00</b>     |                          |



(ii) Shareholding of Promoters/ Promoters Group

| S. No. | Shareholder's name                                   | Shareholding at the beginning of the year 01.04.2017 |                                  |   | Shareholding at the end of the year 31.03.2018 |                                  |   |
|--------|--|--|----------------------------------|---|--|----------------------------------|---|
|        |  | No. of shares  | % of total shares of the Company | % of shares pledged/ encumbered to total shares | No. of shares                                  | % of total shares of the Company | % of shares Pledged/ encumbered to total shares |
| 1.     | Panchsheel Investment Company                        | 31,21,10,500   | 17.49                            | 0.00  | Amalgamated**                                  | -                                | -   |
| 2.     | Sidhant Housing and Development Company              | 23,72,09,700   | 13.30                            | 0.00  | Amalgamated**                                  | -                                | -   |
| 3.     | Kohinoor Real Estates Company                        | 9,53,53,400  | 5.34                             | 0.00  | Amalgamated***                                 | -                                | -   |
| 4.     | Madhur Housing and Development Company               | 9,38,19,600  | 5.26                             | 0.00  | Amalgamated*                                   | -                                | -   |
| 5.     | Yashika Properties and Development Company           | 9,20,80,400  | 5.16                             | 0.00  | Amalgamated**                                  | -                                | -   |
| 6.     | Prem Traders LLP                                     | 9,00,59,200  | 5.05                             | 0.00  | <b>9,00,59,200</b>                             | <b>5.05</b>                      | <b>0.00</b>                                     |
| 7.     | Mallika Housing Company LLP                          | 7,77,98,100  | 4.36                             | 0.00  | <b>7,77,98,100</b>                             | <b>4.36</b>                      | <b>0.00</b>                                     |
| 8.     | Vishal Foods and Investments Private Limited         | 7,47,69,060  | 4.19                             | 0.00  | Amalgamated*                                   | -                                | -   |
| 9.     | Raisina Agencies LLP                                 | 6,58,89,120  | 3.69                             | 0.00  | <b>6,58,89,120</b>                             | <b>3.69</b>                      | <b>0.00</b>                                     |
| 10.    | Jhandewalan Ancillaries LLP                          | 4,73,88,000  | 2.66                             | 0.00  | <b>4,73,88,000</b>                             | <b>2.66</b>                      | <b>0.00</b>                                     |
| 11.    | DLF Investments Private Limited                      | 3,91,54,500  | 2.19                             | 0.00  | Amalgamated*                                   | -                                | -   |
| 12.    | Pia Singh  | 2,13,32,500  | 1.20                             | 0.00  | <b>2,13,32,500</b>                             | <b>1.20</b>                      | <b>0.00</b>                                     |
| 13.    | Rajiv Singh  | 1,64,56,320  | 0.92                             | 0.00  | <b>1,64,56,320</b>                             | <b>0.92</b>                      | <b>0.00</b>                                     |
| 14.    | Realest Builders and Services Private Limited        | 1,49,27,680  | 0.84                             | 0.00  | <b>1,49,27,680</b>                             | <b>0.84</b>                      | <b>0.00</b>                                     |
| 15.    | Haryana Electrical Udyog Private Limited             | 1,40,52,400  | 0.79                             | 0.00  | Amalgamated**                                  | -                                | -   |
| 16.    | K.P. Singh   | 1,04,61,000  | 0.59                             | 0.00  | <b>1,04,61,000</b>                             | <b>0.59</b>                      | <b>0.00</b>                                     |
| 17.    | Kavita Singh   | 95,14,080  | 0.53                             | 0.00  | <b>95,14,080</b>                               | <b>0.53</b>                      | <b>0.00</b>                                     |
| 18.    | Parvati Estates LLP                                  | 63,80,000  | 0.36                             | 0.00  | <b>63,80,000</b>                               | <b>0.36</b>                      | <b>0.00</b>                                     |
| 19.    | Universal Management and Sales LLP                   | 54,55,560  | 0.31                             | 0.00  | <b>54,55,560</b>                               | <b>0.31</b>                      | <b>0.00</b>                                     |
| 20.    | Indira Kushal Pal Singh                              | 40,34,360  | 0.23                             | 0.00  | <b>40,34,360</b>                               | <b>0.23</b>                      | <b>0.00</b>                                     |
| 21.    | Megha Estates Private Limited                        | 34,64,600  | 0.19                             | 0.00  | Amalgamated*                                   | -                                | -   |
| 22.    | Buland Consultants and Investments Private Limited   | 25,68,000  | 0.14                             | 0.00  | Amalgamated**                                  | -                                | -   |
| 23.    | Renuka Talwar  | 15,40,000  | 0.09                             | 0.00  | <b>15,40,000</b>                               | <b>0.08</b>                      | <b>0.00</b>                                     |
| 24.    | Beverly Builders LLP                                 | 10,99,120  | 0.06                             | 0.00  | <b>10,99,120</b>                               | <b>0.06</b>                      | <b>0.00</b>                                     |
| 25.    | Rajdhani Investments & Agencies Private Limited      | 97,920   | 0.01                             | 0.00  | <b>96,46,80,080</b>                            | <b>54.07</b>                     | <b>0.00</b>                                     |
| 26.    | Prem's Will Trust (held by K.P. Singh & Rajiv Singh) | 88,000   | 0.00                             | 0.00  | <b>88,000</b>                                  | <b>0.00</b>                      | <b>0.00</b>                                     |
|        | <b>Total</b>   | <b>1,33,71,03,120</b>                                | <b>74.95</b>                     | 0.00  | <b>1,33,71,03,120</b>                          | <b>74.95</b>                     | <b>0.00</b>                                     |

\* Pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, these companies have been merged with Kohinoor Real Estates Company w.e.f. 7 March 2018.

\*\* Pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, these companies have been merged with Rajdhani Investments & Agencies Private Limited w.e.f. 7 March 2018.

\*\*\* Pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the company has been merged with Rajdhani Investments & Agencies Private Limited w.e.f. 12 March 2018.

(iii) Change in Promoters/ Promoters Group Shareholding

| S. No. | Name  | Shareholding at the beginning of the year 01.04.2017 |                                  | Bought during the year* | Sold during the year | Shareholding at the end of the year 31.03.2018 |                                  |
|--------|---|--|----------------------------------|-------------------------|----------------------|--|----------------------------------|
|        |   | No. of shares  | % of total shares of the Company |                         |                      | No. of shares                                  | % of total shares of the Company |
| 1.     | Rajdhani Investments & Agencies Private Limited | 97,920   | 0.01                             | 96,45,82,160            | -                    | 96,46,80,080                                   | 54.07                            |

\* Please refer to the notes (given in earlier table) on merger of certain promoter group companies with Rajdhani Investments & Agencies Private Limited.

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| S. No. | Name   | Shareholding at the beginning of the year 01.04.2017 |                                  | Bought during the year* | Sold during the year* | Shareholding at the end of the year 31.03.2018 |                                  |
|--------|--|--|----------------------------------|-------------------------|-----------------------|--|----------------------------------|
|        |  | No. of shares  | % of total shares of the Company |                         |                       | No. of Shares                                  | % of total shares of the Company |
| 1.     | Government of Singapore  | 6,79,87,184  | 3.81                             | 1,69,70,847             | 9,60,287              | 8,39,97,744                                    | 4.71                             |
| 2.     | Oppenheimer Global Fund  | 6,68,89,896  | 3.75                             | 19,26,668               | 12,69,779             | 6,75,46,785                                    | 3.79                             |
| 3.     | Morgan Stanley Mauritius Company Limited                                   | 2,36,02,179  | 1.32                             | Nil                     | 2,00,71,785           | 35,30,394                                      | 0.20                             |
| 4.     | Oppenheimer Variable Account Funds for the Account                         | 1,79,37,603  | 1.01                             | 2,56,552                | 19,86,747             | 1,62,07,408                                    | 0.91                             |
| 5.     | JNL/ Oppenheimer Global Growth Fund  | 1,41,45,876  | 0.79                             | 21,02,973               | 4,32,775              | 1,58,16,074                                    | 0.89                             |
| 6.     | College Retirement Equities Fund   | 1,28,57,904  | 0.72                             | Nil                     | 1,20,07,904           | 8,50,000                                       | 0.05                             |
| 7.     | Oppenheimer International Small Company Fund                               | 1,11,83,062  | 0.63                             | Nil                     | 24,99,108             | 86,83,954                                      | 0.49                             |
| 8.     | VY Oppenheimer Global Portfolio (earlier ING Oppenheimer Global Portfolio) | 1,06,07,982  | 0.59                             | 3,14,185                | 5,88,207              | 1,03,33,960                                    | 0.58                             |
| 9.     | MET Investors Series Trust - Oppenheimer Global EQ                         | 1,00,29,757  | 0.56                             | 1,81,539                | 15,99,596             | 86,11,745                                      | 0.48                             |
| 10.    | Nomura Singapore Limited   | 83,10,253  | 0.47                             | 8,33,607                | 90,93,860             | 5,00,000                                       | 0.00                             |
| 11.    | Jhunjhunwala Rakesh Radheshyam   | 75,00,000  | 0.42                             | 1,23,31,500             | 79,31,500             | 1,19,00,000                                    | 0.67                             |
| 12.    | Vanguard Emerging Markets Stock Index Fund, Aserie                         | 72,67,990  | 0.41                             | 85,01,211               | 7,92,22,255           | 78,46,946                                      | 0.44                             |
| 13.    | Polunin Developing Countries Fund, LLC                                     | 53,33,005  | 0.30                             | 61,61,336               | 53,33,005             | 61,61,336                                      | 0.35                             |

\*The shares of the Company are traded on daily basis and hence date-wise increase/ decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number of the shareholder.

Note: Date-wise increase or decrease in shareholding of the top ten shareholders is available on the website of the Company - [www.dlf.in](http://www.dlf.in)

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

| S. No.           | Name                                       | Shareholding at the beginning of the year 01.04.2017 |                                  | Bought during the year | Sold during the year | Shareholding at the end of the year 31.03.2018 |                                  |
|------------------|--|--|----------------------------------|------------------------|----------------------|--|----------------------------------|
|                  |  | No. of Shares  | % of total shares of the Company |                        |                      | No. of Shares                                  | % of total shares of the Company |
| <b>Directors</b> |  |  |                                  |                        |                      |  |                                  |
| 1.               | Dr. K.P. Singh                             | 1,04,61,000  | 0.59                             | -                      | -                    | 1,04,61,000                                    | 0.59                             |
| 2.               | Mr. Rajiv Singh                            | 1,64,56,320  | 0.92                             | -                      | -                    | 1,64,56,320                                    | 0.92                             |
| 3.               | Ms. Pia Singh                              | 2,13,32,500  | 1.20                             | -                      | -                    | 2,13,32,500                                    | 1.20                             |
| 4.               | Mr. Mohit Gujral                           | -  | -                                | -                      | -                    | -  | -                                |
| 5.               | Mr. Rajeev Talwar                          | 3,51,201   | 0.02                             | -                      | -                    | 3,51,201                                       | 0.02                             |
| 6.               | Mr. Ashok Kumar Tyagi* (w.e.f. 01.12.2017) | 87,219   | 0.00                             | -                      | -                    | 87,219   | 0.00                             |
| 7.               | Mr. Devinder Singh (w.e.f. 01.12.2017)     | NA   | NA                               | -                      | -                    | 95,793   | 0.00                             |
| 8.               | Mr. G.S. Talwar                            | 1,00,540   | 0.01                             | -                      | -                    | 1,00,540                                       | 0.01                             |
| 9.               | Dr. D.V. Kapur                             | 10,000   | 0.00                             | -                      | -                    | 10,000   | 0.00                             |
| 10.              | Mr. K.N. Memani                            | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 11.              | Mr. B. Bhushan                             | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 12.              | Mr. Pramod Bhasin                          | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 13.              | Mr. Rajiv Krishan Luthra                   | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 14.              | Mr. Ved Kumar Jain                         | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 15.              | Lt. Gen. Aditya Singh (Retd.)              | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 16.              | Mr. A.S. Minocha                           | -  | 0.00                             | -                      | -                    | -  | 0.00                             |
| 17.              | Mr. Vivek Mehra (w.e.f. 13.02.2018)        | NA   | NA                               | -                      | -                    | 2,225  | 0.00                             |

| S. No.                          | Name  | Shareholding at the beginning of the year 01.04.2017 |                                  | Bought during the year | Sold during the year | Shareholding at the end of the year 31.03.2018 |                                  |
|---------------------------------|---|--|----------------------------------|------------------------|----------------------|--|----------------------------------|
|                                 |   | No. of Shares  | % of total shares of the Company |                        |                      | No. of Shares                                  | % of total shares of the Company |
| <b>Key Managerial Personnel</b> |   |  |                                  |                        |                      |  |                                  |
| 18.                             | Mr. Saurabh Chawla, Group CFO (w.e.f. 29.12.2017) | NA   | NA                               | -                      | -                    | 86,254   | 0.00                             |
| 19.                             | Mr. Subhash Setia, Company Secretary              | 23,215   | 0.00                             | -                      | -                    | 23,215   | 0.00                             |

\* Mr. Ashok Kumar Tyagi was Group Chief Financial Officer (KMP) and has become Whole-time Director w.e.f. 1 December 2017.

#### V. Indebtedness

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(₹ in lakhs)

| Particulars   | Secured Loans excluding deposits | Unsecured loans | Deposits    | Total Indebtedness |
|---|----------------------------------|-----------------|-------------|--------------------|
| <b>Indebtedness at the beginning of the financial year 01.04.2017</b> |                                  |                 |             |                    |
| 1) Principal Amount   | 9,05,256.19                      | 3,000.00        | -           | 9,08,256.19        |
| 2) Interest due but not paid  | -                                | -               | -           | 0.00               |
| 3) Interest accrued but not due                                       | 5,057.01                         | 1,350.00        | -           | 6,407.01           |
| <b>Total (1+2+3)</b>  | <b>9,10,313.20</b>               | <b>4,350.00</b> | <b>-</b>    | <b>9,14,663.20</b> |
| <b>Change in Indebtedness during the financial year</b>               |                                  |                 |             |                    |
| +Addition   | 6,83,253.21                      | -               | -           | 6,83,253.21        |
| -Reduction  | -10,21,178.89                    | -671.79         | -           | -10,21,850.68      |
| Net change  | -3,37,925.68                     | -671.79         | -           | -3,38,597.47       |
| <b>Indebtedness at the end of the financial year 31.03.2018</b>       |                                  |                 |             |                    |
| 1) Principal Amount   | 5,68,476.23                      | 2,254.00        | -           | 5,70,730.23        |
| 2) Interest due but not paid  | -                                | -               | -           | 0.00               |
| 3) Interest accrued but not due                                       | 3,911.29                         | 1,424.21        | -           | 5,335.50           |
| <b>Total (1+2+3)</b>  | <b>5,72,387.52</b>               | <b>3,678.21</b> | <b>0.00</b> | <b>5,76,065.73</b> |

#### VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager

(₹ in lakhs)

| S. No. | Particulars of Remuneration   | Name of Managing Director/ Whole-time Director/ Manager |                  |                  |                   |   |  | Total amount   |
|--------|---|---|------------------|------------------|-------------------|---|--|--|
|        |   | Dr. K. P. Singh   | Mr. Rajiv Singh* | Mr. Mohit Gujral | Mr. Rajeev Talwar | Mr. Ashok Kumar Tyagi** (w.e.f. 01.12.2017) | Mr. Devinder Singh (w.e.f. 01.12.2017) |  |
| 1.     | Gross Salary  |   |                  |                  |                   |   |  |  |
|        | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 163.20  | 153.00           | 754.80           | 144.23            | 51.27                                       | 47.89                                  | 1,314.39   |
|        | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | 528.23  | 16.87            | 1,918.32         | 142.25            | 41.86                                       | 50.58                                  | 2,698.11   |
|        | (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act 1961        | Nil   | Nil              | Nil              | Nil               | Nil   | Nil                                    | Nil  |
| 2.     | Stock Option  | Nil   | Nil              | Nil              | Nil               | Nil   | Nil                                    | Nil  |
| 3.     | Sweat Equity  | Nil   | Nil              | Nil              | Nil               | Nil   | Nil                                    | Nil  |
| 4.     | Commission<br>- As % of Profit<br>- Others, specify                                 | 350.00  | 350.00           | -                | 325.00            | 105.00                                      | 110.00                                 | 1,240.00   |
| 5.     | Others, please specify<br>- Provident Fund/ Superannuation fund/ Allowances         | 11.52   | 24.30            | 53.28            | 12.81             | 3.62  | 3.38                                   | 108.91   |
|        | <b>Total (A)</b>  | <b>1,052.95</b>   | <b>544.17</b>    | <b>2,726.40</b>  | <b>624.29</b>     | <b>201.75</b>                               | <b>211.85</b>                          | <b>5,361.41</b>  |
|        | Ceiling as per the Act  |   |                  |                  |                   |   |  | ₹ 6,400.83 lakhs (10% of the net profits of the Company) |

\* Mr. Rajiv Singh has received ₹ 0.50 lakh as sitting fee from the Holding Company.

\*\* Mr. Ashok Kumar Tyagi was Group Chief Financial Officer (KMP) and has become Whole-time Director w.e.f. 1 December 2017. During the FY 2017-18, Mr. Ashok Kumar Tyagi has received total remuneration of ₹ 925.65 lakhs.

## B. Remuneration of other Directors

(₹ in lakhs)

| S. No.                                     | Name(s)                        | Sitting Fees  | Commission | Others | Total  |
|--|--------------------------------|---|------------|--------|--|
| 1.   | <b>Independent Directors</b>   |   |            |        |  |
|  | Mr. K.N. Memani                | 7.50  | 34.00      | NIL    | 41.50  |
|  | Dr. D.V. Kapur                 | 13.50   | 34.00      | NIL    | 47.50  |
|  | Mr. B. Bhushan                 | 15.50   | 34.00      | NIL    | 49.50  |
|  | Mr. Pramod Bhasin              | 4.50  | 34.00      | NIL    | 38.50  |
|  | Mr. Rajiv Krishan Luthra       | 5.00  | 34.00      | NIL    | 39.00  |
|  | Mr. Ved Kumar Jain             | 17.50   | 34.00      | NIL    | 51.50  |
|  | Lt. Gen Aditya Singh (Retd.)   | 9.00  | 34.00      | NIL    | 43.00  |
|  | Mr. A.S. Minocha               | 11.00   | 34.00      | NIL    | 45.00  |
| Mr. Vivek Mehra (w.e.f. 13.02.2018)        | 2.50                           | 4.50*   | NIL        | 7.00   |  |
| 2.   | <b>Non-executive Directors</b> |   |            | NIL    |  |
|  | Mr. G.S. Talwar                | 2.00  | 34.00      | NIL    | 36.00  |
|  | Ms. Pia Singh                  | 3.50  | 34.00      | NIL    | 37.50  |
|  | <b>Total (B)</b>               |   |            |        | <b>436.00</b>  |
|  | Ceiling as per the Act         | ₹ 640.08 lakhs (1% of the net profits of the Company) |            |        |  |
| <b>Total Managerial Remuneration (A+B)</b> |                                |   |            |        | ₹ 5,797.41 lakhs   |
| Overall Ceiling as per the Act             |                                |   |            |        | ₹ 7,040.91 lakhs (11% of the net profits of the Company) |

\*pro-rata

## C. Remuneration to Key Managerial Personnel other than Managing Director/ Whole-time Director/ Manager

(₹ in lakhs)

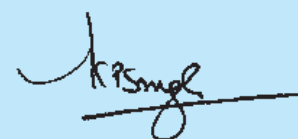
| S. No. | Particulars of Remuneration   | Name of the KMP                                   |                                      | Total amount  |
|--------|---|---|--------------------------------------|---------------|
|        |   | Mr. Saurabh Chawla, Group CFO (w.e.f. 29.12.2017) | Mr. Subhash Setia, Company Secretary |               |
| 1.     | Gross Salary  |   |                                      |               |
|        | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 102.70  | 161.37                               | 264.07        |
|        | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | 5.47  | Nil                                  | 5.47          |
|        | (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961       | Nil   | Nil                                  | Nil           |
| 2.     | Stock Option  | Nil   | Nil                                  | Nil           |
| 3.     | Sweat Equity  | Nil   | Nil                                  | Nil           |
| 4.     | Commission  | Nil   | Nil                                  | Nil           |
|        | - As % of Profit<br>- Others  |   |                                      |               |
| 5.     | Others - Provident Fund Contribution  | 1.76  | 4.55                                 | 6.31          |
|        | <b>Total (C)</b>  | <b>109.93</b>                                     | <b>165.92</b>                        | <b>275.85</b> |

## VII. Penalties/ Punishment/ Compounding of Offences

There were no penalties/ punishment/ compounding of offences for breach of any Section of the Companies Act, 1956/ 2013 against the Company or its Directors or other officers in default, if any, during the year.

Subsequent to the FY 2017-18, the Adjudicating Officer, Securities and Exchange Board of India (SEBI) has passed an order dated 31 May 2018 imposing a penalty of ₹ 10 lakhs under Section 23H of Securities Contracts (Regulation) Act, 1956 on a disclosure issue pertaining to utilization of IPO proceeds made by the Company in its quarterly filing for 30 September 2007. The Company under protest and without prejudice to its legal rights to assail the SEBI Order, has deposited the penalty amount with SEBI.

For and on behalf of the Board of Directors



(Dr. K.P. Singh)  
Chairman  
(DIN 00003191)

New Delhi  
10 August 2018

## ANNEXURE – ‘E’

### Awards & Accolades of the Group including lease business

During the year, our efforts in various initiatives were duly recognized and we were conferred with the following awards and recognitions:

| S. No. | Award  | Awarded to   | Awarded by   |
|--------|--|--|--|
| 1.     | Commercial Building Project of the Year  | Two Horizon Center   | NDTV Property Awards - 2018  |
| 2.     | Commercial Building Project of the Year  | Two Horizon Center   | Times Business Awards - Reality 2018   |
| 3.     | Developer of the year- Luxury  | DLF Home Developers  | ET NOW - Real Estate Awards 2018   |
| 4.     | India's Most Stylish Property  | The Crest  | HT Most Stylish Property Award   |
| 5.     | Export Award for Outstanding Performance for 2015-16                           | DLF IT/ ITES SEZs in Gurugram, Hyderabad and Kolkata   | Ministry of Commerce & Industry and Export Promotion Council for EOUs & SEZs (EPCES) |
| 6.     | Honeywell Smart Building Award   | DLF Infinity Tower, DLF Cyber City and Bldg. 10  | Honeywell & TV 18  |
| 7.     | Greenbuild Leadership Award 2017   | DLF Rental Business  | US Green Building Council  |
| 8.     | 4 STAR Rating  | DLF Cyberpark, NH 8, Gurugram  | GRIHA  |
| 9.     | LEED Platinum Certification  | DLF Epitome, DLF iQ, DLF World Tech Park, DLF Cybercity Chennai                                      | US Green Building Council  |
| 10.    | Most admired shopping centre of the Year (marketing & Consumer Promotions)     | DLF Place Saket  | Asia Shopping Malls Excellence Awards 2017   |
| 11.    | Smartest Retail Building   | DLF Mall of India  | Network 18 & Honeywell-Smart building Awards - 2017                                  |
| 12.    | Outstanding performance in employee safety, safe work procedures & environment | DLF Mall of India  | IISM INDUSTRIAL sector safety excellence Awards - 2017                               |
| 13.    | Most admired shopping centre of the year: Marketing and Promotions-North       | DLF Mall of India  | Images Shopping Centre Awards - 2017   |
| 14.    | Award of Excellence  | DLF Mall of India  | India Tourism Summit 2017  |
| 15.    | Project of the Year - Best Amenities   | Garden city Indore   | Hindustan Ratan Awards   |
| 16.    | Best Course In India   | DLF Golf and Country Club  | Asia Pacific Golf Group  |
| 17.    | Best Golf Academy  | DLF Golf Academy   | India Golf Awards  |
| 18.    | Best Championship and Golf Tourism friendly Golf Course                        | DLF Golf and Country Club  | ITCTA  |
| 19.    | Best New 18 Hole Golf Course   | DLF Golf and Country Club  | India Golf Expo Awards   |
| 20.    | Best Academy Facilities  | DLF Golf Academy   | India Golf Awards  |
| 21.    | Most Iconic and Transformational Golf Development in India                     | DLF Golf and Country Club  | IGIA Awards  |
| 22.    | Best Corporate Social Responsibility Practices                                 | DLF Foundation   | Shri Manohar Lal Khattar, Honorable Chief Minister of Haryana                        |
| 23.    | GBC's LEED India Platinum Award  | Two Horizon Center   | Indian Green Building Council  |
| 24.    | LEED Platinum Certification  | DLF Centre, Gateway Tower, Building No. 10, Innov 8, Infinity Tower                                  | US Green Building Council  |
| 25.    | 5 Star Rating  | DLF Cybercity, Hyderabad   | Confederation of Indian Industry (CII)   |
| 26.    | LEED Platinum Certification  | DLF IT Park Chandigarh, IT Park Kolkata - 1, IT Park Kolkata - 2, DLF Cybercity Hyderabad, DLF Forum | US Green Building Council  |
| 27.    | Best Thematic Decoration   | DLF Promenade  | Global Awards for Retail Excellence by ET Now  |
| 28.    | IISSM Security & Safety Excellence Award 2017                                  | DLF Emporio and DLF Promenade  | Board of Governors, IISSM  |
| 29.    | No. 1 Hotel in India and No. 2 Hotel in World                                  | The Lodhi, New Delhi   | Conde Nast Traveller US Readers' Choice Awards 2017                                  |

## **ANNEXURE – ‘F’**

### **Dividend Distribution Policy**

The Equity shares of the Company are listed on BSE and NSE. Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company adopts this Policy to comply with the requirements of the Listing Regulations.

The objective of this Policy is to lay down the broad parameters and factors that will be taken into consideration by the Board of Directors of the Company for declaration of dividend.

The circumstances under which the shareholders of the Company may or may not expect dividend: The Dividend for any financial year shall be paid out of the Company profits for that year or accumulated profits of any previous financial year(s) in accordance with provisions of the Companies Act, 2013 (‘the Act’) and Rules made thereunder.

#### **The financial parameters that shall be considered before declaration of dividend:**

The Company shall consider distributable profits and the opportunities available for strengthening and growth of its business.

#### **Internal and external factors that shall be considered before declaration of dividend:**

The Board will consider macroeconomic conditions, state of the economy, state of real estate sector and such other factors as deemed appropriate by the Board.

#### **Utilization of retained earnings:**

1. Capital expenditure or working capital; Investment in new and/ or existing business(es); and
2. Any other permitted usage as per the Act, Listing Regulations or any other applicable law.

#### **Review/ Revision/ Amendment to the Policy:**

The Board reserves the right to amend, alter, modify this Policy from time to time at its sole discretion in accordance provisions of the Act and Listing Regulations.

## Business Responsibility Report – 2018

### Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L70101HR1963PLC002484.
2. Name of the Company: DLF Limited.
3. Registered Office Address: Shopping Mall 3<sup>rd</sup> Floor, Arjun Marg, Phase-I, DLF City, Gurugram-122002, Haryana.
4. Website: [www.dlf.in](http://www.dlf.in)
5. E-mail id: [setia-subhash@dlf.in](mailto:setia-subhash@dlf.in) (Mr. Subhash Setia, Company Secretary)
6. Financial Year reported: 2017-18
7. **Sector(s) that the Company is engaged in:**

The Company is primarily engaged in the business of colonization and real estate development.

8. **List three key products/ services that the Company manufactures/ provides:**

The Company is primarily engaged in development business focuses on the development and sale of residential real estate which includes plotted developments, houses, villas and apartments of varying sizes and integrated townships, with a focus on the high end, luxury residential developments. The Company also involves in lease business involving leasing of developed office space, ITes and retail properties. The Company is having interest in hospitality business as well.

9. **Total number of locations where business activity is undertaken by the Company**
  - i. **Number of International Locations**
  - ii. **Number of National Locations**

Historically, the Company has focused its operations in the Delhi Metropolitan Region and Gurugram. It has expanded operations to other metro cities and certain other locations in India including Bengaluru, Chennai, Hyderabad, Kochi, Chandigarh, Shimla, Kasauli, Jalandhar, Indore, Lucknow, Kolkata. In certain locations more than one project have been implemented.

10. **Markets served by the Company**

The Company's Development Business and Lease Business are catering various geographic markets in India by the Company, its subsidiaries and Joint Ventures.

### Section B: Financial Details of the Company

1. Paid-up Capital: ₹ 356.81 crore (as on 31 March 2018)
2. Total Turnover: ₹ 3,803.79 crore (Standalone)
3. Total profit after taxes: ₹ 365.20 crore (Standalone)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

The Company has spent prescribed CSR expenditure amounting to ₹ 12.66 crore, being the 2% of the average net profit of the Company for the last three years as mandated in the Companies Act, 2013.

In addition, the following wholly-owned subsidiaries/ subsidiaries/ Joint Ventures have also contributed for CSR activities:

| S. No. | Name of Companies                              | Amount | Contribution made to   |
|--------|--|--------|------------------------|
| 1      | DLF Cyber City Developers Limited              | 15.78  | DLF Foundation         |
| 2      | DLF Assets Private Limited                     | 6.01   | DLF Foundation         |
| 3      | DLF Info City Developers (Chandigarh) Limited  | 0.65   | DLF Foundation         |
| 4      | DLF Info City Developers (Kolkata) Limited     | 0.73   | DLF Foundation         |
| 5      | Caraf Builders & Constructions Private Limited | 0.06   | DLF Foundation         |
| 6      | DLF Emporio Limited                            | 2.19   | DLF Foundation         |
| 7      | DLF Promenade Limited                          | 0.07   | DLF Foundation         |
| 8      | DLF Estate Developers Limited                  | 0.09   | DLF Foundation         |
| 9      | DLF Commercial Developers Limited              | 3.70   | Rashtriya Sewa Bharati |
| 10     | Paliwal Developers Limited                     | 0.05   | DLF Foundation         |
| 11     | Domus Real Estate Private Limited              | 0.07   | DLF Foundation         |

5. **List of activities in which expenditure in 4 above has been incurred:**

The expenditure has been incurred inter-alia, for the projects/ programmes in the following areas -

- i. Education
- ii. Healthcare
- iii. Skills Development
- iv. Smart Village
- v. Gurugram Rejuvenation
- vi. Promoting Art, Culture, Spirituality, Vedic Values and Leadership.

### Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

Yes. The Company has 107 subsidiaries as on 31<sup>st</sup> March, 2018.

2. **Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).**

Yes, a number of subsidiary companies do participate/ contribute in the BR initiatives.

3. **Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]**

No.

### Section D: BR Information

1. **Details of Director/ Directors responsible for BR**

- a) Details of the Director responsible for implementation of the BR policy/ policies

The Corporate Social Responsibility (CSR) Committee of the Board of Directors oversees implementation of BR policies. The members of CSR Committee are as follows:

| DIN      | Name               | Designation               |
|----------|--------------------|---------------------------|
| 00003191 | Dr. K.P. Singh     | Chairman                  |
| 00051538 | Mr. Mohit Gujral   | CEO & Whole-time Director |
| 01440785 | Mr. Rajeev Talwar  | CEO & Whole-time Director |
| 00067233 | Ms. Pia Singh      | Non-executive Director    |
| 01197009 | Mr. Pramod Bhasin  | Independent Director      |
| 00485623 | Mr. Ved Kumar Jain | Independent Director      |

b) Details of the BR head

| Particulars      | Details             |
|------------------|---------------------|
| Name             | Dr. Vinay Sahni     |
| Designation      | CEO, DLF Foundation |
| Telephone number | 0124-4396000        |
| E-mail id        | sahni-vinay@dlf.in  |

2. Principle-wise (as per NVGs) BR Policy/ policies (Reply in Y/ N)

| S. No. | Questions  | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--------|--|--|-----|-----|-----|-----|-----|-----|-----|-----|
| 1.     | Do you have a policy/ policies for....   | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 2.     | Has the policy being formulated in consultation with the relevant stakeholders?  | The Company has formulated the policies and adopted best practices in its own volition. However, while formulating the policies and adopting the same, the Company has been sensitive to the stakeholders and further, engaged experts of repute, as and when felt necessary.  |     |     |     |     |     |     |     |     |
| 3.     | Does the policy conform to any national/ international standards? If yes, specify? (50 words)  | Yes, the policy/ practice broadly confirms to the National Voluntary Guidelines (NVGs) issued by the Ministry of Corporate Affairs, Government of India, July 2011 and the policies are compliant with the applicable laws as mapped against the principles mentioned in NVGs.   |     |     |     |     |     |     |     |     |
| 4.     | Has the policy being approved by the Board?<br>If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?                                   | Yes<br>Yes   |     |     |     |     |     |     |     |     |
| 5.     | Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?                                  | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 6.     | Indicate the link for the policy to be viewed online?  | Internal policies are available for employees only. Other policies are available at <a href="http://www.dlf.in/#">http://www.dlf.in/#</a><br>i. Code of Conduct; ii. Code of Conduct to Regulate, Monitor & Report Trading by Insiders; iii. Whistle Blower Policy; iv. Environment Policy; v. Corporate Social Responsibility Policy; vi. Related Party Transactions Policy; vii. Material Subsidiary Policy; viii. Nomination and Remuneration Policy; ix. Dividend Distribution Policy; and x. Business Responsibility Policies |     |     |     |     |     |     |     |     |
| 7.     | Has the policy been formally communicated to all relevant internal and external stakeholders?  | Internal stakeholders are made aware of the policies. The aforesaid policies are uploaded in the website of the Company.   |     |     |     |     |     |     |     |     |
| 8.     | Does the Company have in-house structure to implement the policy/ policies.  | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 9.     | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 10.    | Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?*                                | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |

\* Audit/ evaluation is carried out by internal/ external team.

# <http://www.dlf.in/images/code-of-conduct/Code-of-Conduct.pdf>.

# <http://www.dlf.in/prevention-of-insider-trading.aspx>.

# <http://www.dlf.in/images/whistle-blower-policy/DLFWBP.pdf>.

# <http://www.dlf.in/environmental-policy.aspx>.

# <http://www.dlf.in/downloads.aspx>.



### 3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**
- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

During the year 2017-18, the Board of Directors had nine meetings. Further, in line with the requirements of the Companies Act 2013, the Board has constituted CSR Committee to formulate the CSR Policy, to recommend the amount of expenditure to be incurred in CSR Activities and to institutionalize transparent monitoring mechanism for ensuring implementation of CSR policy. CSR Committee met once during the year.

Apart from the Board constituted Committee, the Advisory Board of DLF Foundation guides the social initiatives of the Company. The top executives of the Company, employees and other eminent persons drawn from various spheres are members/ invitees of the Advisory Board. The Advisory Board meets regularly, share their expert knowledge and provide guidance.

The Company does not publish BR or a Sustainability Report. The Company is planning to publish Sustainability Report. However, a newsletter under the title "Building Lives" containing CSR activities undertaken/ proposed to be undertaken, is published by the 'DLF Foundation' - <http://www.dlffoundation.in/>.

### Section E: Principle-wise performance

#### Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No.**

No. Apart from the Company, the Code of Conduct and Whistle Blower Policy including bribery and corruption extends to the entire DLF group including its subsidiaries, joint venture partners and other stakeholders as well.

#### **Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Code of Conduct and other policies adopted by the Company applies to the employees of the Company and that of its subsidiary companies. In addition, the Company has a Whistle Blower Policy through which the Company seeks to provide a mechanism for its employees, directors, vendors or customers to disclose any unethical and/ or improper practice(s) suspected to be taking place in the Company for appropriate action and reporting. Further, no employee was denied access to the Audit Committee and all the relevant disclosures are reported to the Chairman of the Audit Committee. The Code of Conduct and the Whistle Blower Policy are uploaded on the Company's website – [www.dlf.in](http://www.dlf.in).

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

In addition to the above policies, the Company has a Stakeholders Grievance Committee (sub-committee of

the Board) which inter-alia, reviews the shareholders complaints and their resolutions. During the year 2017-18, the Company received ten complaints from shareholders and resolved/ disposed off the same to the satisfaction of the shareholders. Total no. of complaints/ disclosures received under Whistle blower policy were two during the period 2017-18. Customer complaints are addressed in the normal course of business by a dedicated team of Customer Services Personnel.

#### Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.**

Given the nature of our business, the Company could consider two "products". One "product" is a unit developed by the Company for sale and the other "product" is the completed building which is leased.

- i. The Company designs "product" having building structures for a seismic zone higher than what is mandatorily required under the requisite building code.
- ii. The Company is now designing buildings/ upgrading existing buildings to achieve LEED Certification. So far DLF has received Platinum LEED Certification for various building built in across India.
- iii. The Company is generally using Aerated Concrete blocks (ACC) instead of clay burnt bricks in "product" construction thus preventing the depletion of soil strata.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- i. **Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?**

For both the "products", in order to conserve the water resources, usage of ground water as well as potable water from municipal corporation supply has been stopped for construction activities in Gurugram. Alternatively, river water is being sourced.

- ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

It is difficult to quantify the exact quantity in terms of reduction achieved in energy and water by the consumers.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

Yes.

- i. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

While it is difficult to specify a percentage, most inputs in construction like steel, cement, concrete slabs, electrical and mechanical equipment, paint, aluminum products are sourced sustainably.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

Yes.

**If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company and its contractors endeavour to provide hygiene and healthy working environment to workers at construction sites including training to improve the capabilities of the local work force.

**5. Does the Company have a mechanism to recycle products and waste?**

Yes.

**If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company inter-alia, has implemented solid waste management technology to re-cycle house garbage into manure used for horticulture. The Company has commissioned state of the art sewage treatment plants which treat and re-cycle waste water for reusing in horticulture and toilets. The Company disposes some of the construction waste as a scrap to get them recycled and re-use the same in construction works.

**Principle 3**

**1. Please indicate the Total number of employees:**

In DLF group: 1626 (as of 31 March 2018) (DLF Group & its subsidiaries). Lodhi Hotel: 403 and SETZ: 158.

**2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis :**

NIL.

**3. Please indicate the Number of permanent women employees:**

In DLF Group: 168 (DLF Group & its subsidiaries): Lodhi Hotel: 48 and SETZ: 47.

**4. Please indicate the Number of permanent employees with disabilities:**

The Company is an equal opportunity employer and do not discriminate on grounds of disability. Thus, the Company does not have a system of compiling such data.

**5. Do you have an employee association that is recognized by management:**

There is no employee association in the Company.

**6. What percentage of your permanent employees is members of this recognized employee association?**

Not applicable.

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

| S. No. | Category  | No. of complaints filed during the financial year (FY 2017-18) | No. of complaints pending as on end of the financial year (31 March 2018) |
|--------|---|--|---|
| 1.     | Child labour/ forced labour/ involuntary labour | Nil  | Not applicable  |
| 2.     | Sexual harassment                               | 3  | 1   |
| 3.     | Discriminatory employment                       | Nil  | Not applicable  |

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

**• Permanent Employees**

Around 30-32% Employees were imparted general and safety trainings.

**• Permanent Women Employees**

Around 20-22% Employees were imparted general and safety trainings.

**• Casual/ Temporary/ Contractual Employees**

Nil.

**• Employees with Disabilities**

Nil.

**Principle 4**

**1. Has the Company mapped its internal and external stakeholders? Yes/ No**

Yes. The Company has mapped all its primary, secondary, internal and external stakeholders. The key stakeholders of the Company are employees, customers, government authorities, lending institutions, suppliers, shareholders and communities residing near our Project areas.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes. To some extent, the Company has details of its disadvantaged, vulnerable and marginalized stakeholders.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The Company while making its CSR plans ensures that some of the programs are so designed so as to take into considerations the needs of these communities, which includes providing scholarships to the children of vulnerable and marginalized stakeholders.

**Principle 5**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company's policy and practices relating to protection of human rights viz., non-engagement of child labour, assuring safety measures etc. is applicable to the Company and its subsidiaries, joint ventures as well as to the contractors engaged by the Company.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company has not received any complaints from stakeholders pertaining to human rights.

**Principle 6**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.**

The policy and practices relating to Principle 6 covers employees of the DLF Group including its subsidiaries, joint ventures, vendors, suppliers, contractors, NGOs and others. The Company does business with such entities which have adopted this principle.

**2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/ N.**

Urbanization besides bringing about exponential growth also causes serious problems like accessibility and affordability of transportation, clogging of roads, drainage, water supply, electric supply, waste management, air pollution and absence of social infrastructure thereby adding to the existing global environmental issues of climate change and global warming. The social arm of the Company does various projects under "Gurugram Rejuvenation Plan" to ensure that relevant stakeholders are brought around to discuss and actively pursue for solutions to problems like water logging, waste management, transport & traffic, healthcare services, safety & security etc.

**If yes, please give hyperlink for webpage etc.**

The details of the Gurugram Rejuvenation plan can be found in DLF Foundation website

<http://www.dlffoundation.in/swachh-city/> the sub-section 'Gurugram Rejuvenation Plan'.

The Company and its subsidiaries have also set up Gas based Cogeneration power plants of aggregate capacity of about 112 MW. Due to their environmental friendliness, the UNFCCC had registered some of these projects under CDM / Carbon Credit Scheme.

The Hyperlink of the web pages providing the details to some of the abovementioned cogeneration plants are as follows:

Weblink for the cogeneration plant installed at DLF Silokhera SEZ, Gurugram:

<http://cdm.unfccc.int/Projects/DB/BVQI1333468846.77/view>

Weblink for the cogeneration plant installed at DLF Building-5, Cybercity, Gurugram:

<http://cdm.unfccc.int/Projects/DB/BVQI1373287235.95/view>

Weblink for the cogeneration plant installed at DLF Building-8, Cybercity, Gurugram:

<http://cdm.unfccc.int/Projects/DB/SIRIM1324300380.72/view>

In addition, to address climate change and global warming, the Company uses double glassed doors and windows, LED based lighting systems as well as other environmental friendly materials in its business activities.

**3. Does the Company identify and assess potential environmental risks? Y/ N**

Yes.

**4. Does the Company have any project related to Clean Development Mechanism?**

Yes.

**If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The Company/ subsidiaries/ group company(ies) has gas based cogeneration system projects of capacity 112 MW that are related to clean development mechanism. The Cogeneration plants at DLF Silokhera, Building-5 & Building -8 having an installed capacity of 17MW, 40 MW & 5.6 MW, respectively have been registered at UNFCCC as clean development project and would generate about 41,500 Certified emission reductions (CERs) annually at full design load operation.

**5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/ N.**

Yes.

**If yes, please give hyperlink for web page etc.**

DLF has successfully designed, erected and commissioned state-of-the-art gas-based cogeneration plants to provide electricity and chilled water for air conditioning that serves 14 million sq feet of leased office area.

The Energy centres at Building-10 and Building-5 provide first-of-its-kind distinct cooling facility to commercial buildings spread upto a distance of 3 KMs. This air-conditioning is achieved without any use of Chloro Fluro Carbons (CFC) based conventional electrical chillers, thereby being very environment friendly and highly energy efficient.

Utilisation of waste heat and use of natural gas as fuel results in emission reductions compared to any other similar facility based on conventional system viz., Grid/ DG sets & Electrical Chillers.

The hyperlink to the web page for the CDM projects registered at UNFCCC for carbon credits are as follows:

DLF Silokhera CDM project:

<http://cdm.unfccc.int/Projects/DB/BVQI1333468846.77/view>

DLF Building -5 CDM project:

<http://cdm.unfccc.int/Projects/DB/BVQI1373287235.95/view>

DLF Building-8 CDM project:

<http://cdm.unfccc.int/Projects/DB/SIRIM1324300380.72/view>

DLF Limited had taken initiative for utilization of clean technology by installation of Solar PV based roof top electrical systems of capacity 113.4 KW, 40.32 KW and 15 KW on the building roof tops of DLF Kolkata IT Park- II, Mall of India Noida & DLF Two Horizon center respectively.

**6. Are the Emissions/ Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**

The emissions/ waste generated by the Company is within the required permissible limits and are being reported twice in a year to the concerned authorities.

**7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

The Company has satisfactorily replied to all the show cause notices received from CPCB/ SPCB and no such notice is pending for reply.

## Principle 7

**1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes. The major trade bodies, Chambers and Associations that our business deals with are:

- a. Federation of Indian Chamber of Commerce and Industry (FICCI)
- b. The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- c. PHD Chamber of Commerce and Industry (PHDCCI)
- d. The Confederation of Real Estate Developers'Associations of India (CREDAI)
- e. National Real Estate Development Council (NAREDCO)
- f. UN Global Compact Network, India

**2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No;**

Yes.

**If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

The Company does work for advancement of public good along with our industry colleagues. Such work mainly involves creating framework of policies for urban development and inclusive development in this industry.

## Principle 8

**1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes. DLF has CSR programs for the social, environmental and economic development of the communities in the vicinity of its projects that support inclusive growth and equitable development.

**2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?**

DLF Foundation is the executing arm for the social projects of the Company. The Foundation executes the programs/ projects through its own resources or by collaboration with other trusts, Civil/ Social organizations/ NGOs.

**3. Have you done any impact assessment of your initiative?**

Yes. The impact assessment of all the CSR initiatives was undertaken by an independent third party Auditor "Association for Stimulating Know-how (ASK)", for assessing the effectiveness and impact of the respective CSR programmes.

**4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

The Company has made prescribed CSR expenditure amounting to ₹ 12.66 crore, being the 2% of the average net profit of the Company for the last three years as required under the Companies Act, 2013. In addition, the wholly owned subsidiaries/ subsidiaries have also contributed to the CSR activities. The expenditure has been incurred, inter-alia, in the following areas:

- i. Education
- ii. Healthcare
- iii. Skill Development Programme
- iv. Smart Village
- v. Gurugram Rejuvenation
- vi. Promoting Art, Culture, Spirituality, Vedic values, Yoga and Leadership

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Community participation is an integral part of all our social projects. We approach our projects with a mission to empower communities. Therefore, we work on making self-reliant communities with huge inputs on awareness building and ensuring access to rights and entitlements. Not only the community is involved right from the planning stage, but also takes over the management aspects. e.g. people's contribution in management of waste management programme which now runs on a self-sustainable model.

## Principle 9

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

Relating to customer complaints/ requests/ grievances, the Company has established procedure to attend the same expeditiously. On an average 10% to 20% of the consumer cases pending before the various forums/ Courts get resolved and/ or disposed off during the year.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A./ Remarks(additional information)**

Considering the nature of business, the Company could identify two "products". One "product" is the residential and commercial unit(s) developed by the Company and the other "product" includes leasing of developed offices and retail properties. Accordingly, information on the "product" is displayed in the relevant documents as per the requirement of local laws.

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

There are complaints filed before CCI on various projects of the Company imposition of unfair and unilateral conditions by abuse of dominant position on the allottees in terms of Apartment Buyers' Agreement entered into with the allottees. The Company has refused the allegations of imposition of any such unfair and arbitrary conditions by abuse of dominant position and at present proceedings are pending before the CCI/ Compat and also before the Hon'ble Supreme Court of India. The Company has taken legal opinion and as per the advice the Company has a good case on merits.

**4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

No. however, the Company has done brand awareness and perception survey about what the consumers feel about the brand.

# Management Discussion & Analysis Report



Horizon Plaza, DLF5, Gurugram

# Management Discussion & Analysis Report

## ECONOMIC OVERVIEW

Indian economy witnessed robust growth in the year gone by. The GDP growth rate was pegged approximately at 6.75% during the fiscal, but it witnessed a better momentum in second half of the fiscal, owing to which a growth of 7.2% is anticipated in GDP growth of FY 2018-19.

The key to the revival of growth in the economy lies in the growth of consumer demand, investment and infrastructure activities in the country. According to the International Monetary Fund's (IMF) forecast, India is likely to overtake China as the fastest-growing economy in the world during the period between 2017 and 2022. Based on IMF estimates, India will continue to be among the fastest growing major economies with a growth rate of 7.4% to 8.9% during the period between 2017 and 2022. The compounded annual growth rate (CAGR) over the period is expected to be approximately 8.5%. India's growth rate is expected to be significantly higher than the global CAGR of approximately 4% and the CAGR for other developing economies, such as Brazil, Russia and sub-Saharan African nations.

Global expansion is expected to continue at above-trend speed in 2018 and 2019, driven by ongoing capex and productivity recovery. The cycle has more room to go as limited signs of overheating are seen. Speed bumps could emerge, if the lift in Fed real rates causes major stress in US Corporate Credit. Inflation has been rising in both Developed Markets and Emerging Markets but it isn't overshooting the targets. Central banks have been hiking interest rate but are not turning too restrictive.

Within India, with end demand holding up well, private capex is poised for a recovery later this year. As the economy enters into a full fledged recovery, we could expect Central Bank to further increase interest rates. Private consumption expenditure has remained robust while exports growth, despite monthly volatile movements, has also been on a recovery path. Incipient signs of revival in investment activity, with capital goods imports and order books of engineering and construction firms posting strong growth in recent months.

Capacity utilization ratios have begun to pick-up, nearing about 75% now. Corporate balance sheet fundamentals are improving, with interest rates dipping below corporate revenue growth and favourable trend in credit ratings upgrade. These factors shall lead to a recovery in private capex in 2018-19.

## THE INDIAN REAL ESTATE SECTOR

The real estate sector continued to face some headwinds. The sector, however is witnessing better prospects in the future resulting from higher confidence of both customers and investors primarily because of the introduction and better implementation of the Real Estate (Regulation and Development) Act, 2016 ("RERA") and rationalisation of indirect tax regime through introduction of GST. The commercial sector continues to demonstrate immense potential, while the residential sector is undergoing a structural transformation.

According to the 2016 Handbook of Urban Statistics, around 377 million Indians comprising 31.14% of the country's population lived in urban areas. The urban population is expected to grow to about 600 million (comprising 40% of the country's population) by 2031 and 850 million (comprising 50% of the country's population) by 2051 (*Source: Ministry of Urban Development, Handbook of Urban Statistics, 2016*). The increasing urbanization drives demand for real estate in major cities of India.

### Residential Segment

The residential segment, owing to the impact of regulatory reforms viz. RERA, GST and demonetization, witnessed historic low in terms of new project launches in the year gone by. Although, home buyers' sentiments have seen marginal improvement recently, full momentum in the market will take a few quarters to revive. The immediate impact of these historic changes has been renewed buyer preference for apartments in completed projects.

The long-term impacts of such regulations will lead to buoyant markets with greater consumer confidence as these have started to instill confidence in the various parameters viz. improved transparency, timely delivery, speedy resolution of disputes etc.

Affordable housing, as a segment, is expected to garner huge interest in the near term, primarily due to various incentives offered by the Government to both, developers and consumers.

Foreign Direct Investment in the construction and development sector was close to ₹ 2,500 crore in FY 2017-18. This shows increasing investor confidence in country's real estate sector. Real estate developers from Japan, the United States of America (USA) and China have formed alliances with domestic

developers to enter (or plan to enter) the Indian realty market, including Japanese conglomerate Sumitomo Corporation, representatives of the Trump Organization and China's Fosun Group are some of the investors who have recently entered.

The current market dynamics imply adoption of differentiated strategy by credible and sustainable developers leading to a more transparent and customer centric approach.

Mid and high-end segment capital values remained largely stable across all sub-markets of Delhi NCR. Rental values also maintained status quo across both segments. The market has gradually started witnessing activity from home buyers who were in a wait and watch mode till now.

### **Office Segment**

Corporate tenants are facing many challenges as they navigate through 2018. The biggest challenge with them is to find, attract and retain a high quality workforce. There are three trends that are impacting how global corporations think about their real estate portfolio as a human resources tool that can assist with talent recruitment and retention, as well as improve/ focus team work, learning and collaboration.

Flexibility, collaboration, workspace efficiency, employee retention and cost effectiveness would be the key focus of real estate heads and developers would have to reformulate their workplace designs to cater to changing dynamics of workplace environment.

The primary demand drivers currently are the technology, engineering and banking sectors with co-working spaces to be the next demand driver in the near future.

Within Delhi NCR market, Gurugram witnessed the highest share in absorption with Q-o-Q increase in weighted-average rentals. With limited supply, Gurugram Central Business District is expected to witness 4-5% increase in quoted rents.

The office segment is expected to remain robust in the near future with nearly 10.87 million square meter (msm) [117 million square feet (msf)] of Grade A supply to be scheduled for completion till 2022 with approximately 46% comprising multi-tenanted Special Economic Zones.

### **Retail Segment**

India is one of the Asia's largest market with a population of 1.3 billion. The rising middle class is well travelled and influenced by changing global environments that

is, in turn, reshaping their consumption patterns and priorities.

As a result, organized retail is also gaining importance, as is evident from the increasing presence of the brands and retailers across all segments.

Total existing stock of shopping centers in India is estimated to be approximately 7.25 msm (78 msf) across the top eight cities as of March 2018 with an overall vacancy rate of 15%. Most of these developments range between 18,580 square meter and 50,000 square meter (2,00,000 and 5,50,000 square feet). Currently, the Indian retail market is undergoing a metamorphosis with established shopping centres and main streets becoming more sophisticated and with the emergence of many new locations.

While e-commerce has been gaining acceptance in India with its share growing, the penetration of organized retail is growing too. The entry of new players in this domain has been on the rise since the last few years. Many retailers have capitalized on this great opportunity to establish their omni channel presence. Integrating online channels with brick and mortar stores has provided an unparalleled and unique shopping experience to buyers. The Government of India's policies and regulatory frameworks such as 100% foreign direct investment (FDI) in B2B e-commerce and 100% FDI under automatic route under the market place model of B2C e-commerce are expected to further propel growth in the sectors.

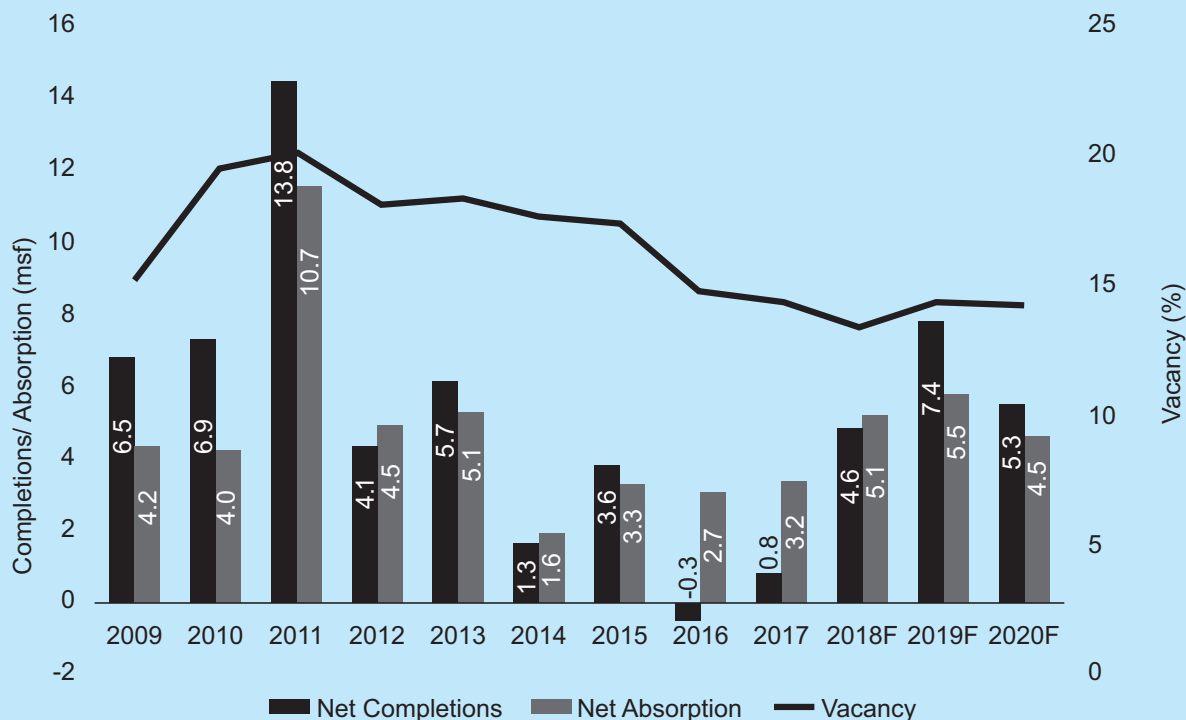
With 100% FDI allowed in single-brand retail, an additional route for international retailers to enter the Indian retail market has opened. Thus far, they were restricted to only franchise or joint venture options. The FDI relaxation is further paving way for the Make in India initiative.

Indian Retail destinations have had a novelty factor attached to them, with entertainment and multiplex thrown in, it adds to footfalls in the shopping centres.

The trend is now inclined towards creation of superior quality retail destinations with exceptional experience. According to reports, this rationalisation will lead to higher percentage of superior quality malls i.e. approximately 62% of the total supply in the near future will consist of these superior quality malls as compared to 46% over the period of 2008-2012.

Over the years Developers have started to focus on creation of more entertainment coupled with Food Courts & Beverage zones in the malls compared to the past practice of just using these as ancillary spaces.

The following chart illustrates the supply and demand of retail malls in the near future:



Source: Real Estate Intelligence Service (JLL), 1Q18

## KEY DEVELOPMENTS IN THE INDIAN REAL ESTATE REGULATORY FRAMEWORK

### Real Estate (Regulation and Development) Act, 2016 (RERA)

Central Government had notified RERA, however States have notified and implemented the relevant rules during the fiscal. Different State Governments have notified different policies pertaining to certain matters. RERA has streamlined norms for transparency and accountability and placed a compliance mechanism for timely delivery of quality housing projects. In the long run, RERA will boost consumer confidence and will pave way for significant demand for housing products and facilitate flow of investments.

### Transit Oriented Development (TOD) Policy

State Government of Haryana has introduced a TOD Policy aimed at reduction and discouraging private vehicle dependency and inducing public transport use - through design, policy measures and enforcement. It also aims to provide easy public transport access to maximum number of people within walking distance through densification/ re-densification and enhanced connectivity.

In the first phase, TOD will be allowed on designated metro corridors including:

- Delhi Metro extension along Gurgaon - Mehrauli Road up to Sector - 29 (HUDA City Centre), Gurugram;
- Metro Link along Northern Periphery Road;
- Metro Link along Southern Periphery Road (SPR);
- Rapid Metro developed/ being developed in PPP model and up to SPR.

The TOD Zone uses shall be permitted irrespective of Group Housing/ Commercial purpose which is already exhausted. In case of approved projects where permissible ground coverage has already been utilized, the benefit of FAR shall be allowed to be availed, provided consent of all the stakeholders is taken in accordance with the Policy. Existing or under construction developments, where no third party rights have been created and revision of building plans for the approved projects where third party rights have already been created, may be allowed to be availed.

The operational rules for the TOD Policy have been notified and your Company is currently evaluating as to how best



the potential should be utilised, as substantial portion of the Company's land parcels fall within the TOD Zone.

## **BUSINESS AND FINANCIAL PERFORMANCE & OUTLOOK**

### **Material Developments**

The Audit Committee comprising Independent Directors after evaluating various strategic options to drive sustainable & long-term growth and development of the rental business in order to improve efficiency and control and to reduce conflicts of interest, recommended to the Board of Directors the proposal for promoter group companies to sell their Compulsorily Convertible Preference Shares (CCPS) held in DLF Cyber City Developers Limited ('DCCDL'), a subsidiary company (equivalent to 40% equity stake in DCCDL) to unrelated third party institutional investor.

Pursuant to the above, DCCDL witnessed a landmark transaction, with Reco Diamond Private Limited, an affiliate of GIC Real Estate (GIC Real Estate) taking a 33.34% equity stake in the later. The Company's promoters, who held CCPS in DCCDL, sold part of their stake in DCCDL to GIC Real Estate and the balance is being bought back by DCCDL. The transaction put DCCDL's enterprise value at ₹ 35,617 crore.

The gross proceeds to the Promoters from the transaction would be ₹ 11,900 crore, which comprised secondary sale of equity shares (post conversion of CCPS) to GIC Real Estate (through Reco Diamond Private Limited) for approximately ₹ 8,900 crore and two buyback of CCPS for ₹ 3,000 crore by DCCDL. One of the buyback was done in FY 2017-18 and the second one is expected to be done in FY 2018-19.

Subsequently, the Company made a preferential offer of Compulsorily Convertible Debentures (CCDs) and Warrants to the promoters, which were fully subscribed by them, thereby committing ₹ 11,250 crore to the Company. These CCDs and Warrants will be converted/ exercised into 51.78 crore equity shares of the Company at a price of ₹ 217.25 per equity share. The promoters remitted ₹ 9,000 crore in December 2017 and balance amount of ₹ 2,250 crore is expected to be remitted within FY 2018-19.

DLF utilized substantial amount of these proceeds to bring down its net debt to ₹ 6,265 crore. Balance amount was held as cash equivalent in the books.

Before the conversion/ exercise of CCDs and Warrants into equity shares takes place, the promoters will have to bring down their stake in the Company from approximately 75% they currently own. The Company envisages to offer upto 17.30 crore equity shares to Qualified Institutional Investors on a Private Placement basis in FY 2018-19 to dilute the promoter's stake.

The money to be raised through private placement of equity shares and balance money to be received from Promoters is also intended to be utilized for paring down of net debt.

During the year under review, a wholly-owned subsidiary acquired a prime land parcel of 11.76 acres (approx.) in Udyog Vihar, Gurugram (opposite to the Cyber City, Gurugram) through e-auction conducted by Haryana State Industrial & Infrastructure Development Corporation Limited. The commercial development of approx. 0.23 msm (2.5 msf) on the said land would be on the similar pattern of One Horizon Center located in DLF5, Gurugram.

During FY'18, your Company also achieved the completion of 'The Chanakya', which is one of the finest mall developed and can compare with the best globally.

## **FINANCIAL REVIEW**

### **REVENUE & PROFITABILITY (CONSOLIDATED)**

During FY'18, DLF reported consolidated revenues of ₹ 7,664 crore. EBIDTA stood at ₹ 3,334 crore and Net profit after tax, minority interest and prior period items was at ₹ 4,477 crore, which includes one-time exceptional gain on account of fair valuation of the Company's residual stake in DCCDL. The EPS (Basic) for FY'18 stood at ₹ 25.02.

DCCDL's revenues and profits were consolidated with the Company for just 9 months (i.e. till 25 December 2017), following which it ceased to be accounted for as a subsidiary in terms of Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs (MCA). However, it continued to be a subsidiary in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. GIC Real Estate, which now holds 33.34% equity stake in DCCDL, has certain affirmative rights within governance of DCCDL. Ind AS requires that in such situations, the entity shall be accounted for as a joint venture. Since revenues and expenditure of DCCDL have not been consolidated for the full period, the previous year figures are not comparable. Henceforth, the Company shall account for only 66.66% of DCCDL's net profit. DCCDL's assets and liabilities would henceforth not be consolidated along with DLF's assets and liabilities.

Owing to non-consolidation, the Company's equity stake in DCCDL had to be accounted for on fair value basis. This resulted in the Company recording a deemed gain of ₹ 9,927 crore in Company's books. There was a fair valuation gain on certain investments, while provisions were created for valuation of certain inventories and impairment made in certain trade and other receivables. This resulted in net exceptional gain of ₹ 8,569 crore (pre-tax).

As a result of the fair valuation of DLF's stake in DCCDL, the Purchase Price Allocation was undertaken, amongst tangible and intangible assets of DLF. Appropriate

adjustments have been factored into DLF's consolidated results, based upon the valuation done by third party experts. This was a one-time exercise, with only additional depreciation to be charged off to consolidated accounts annually going forward.

Also, in DLF's development business, sales were closed for over 5 months as rules related to implementation of RERA were not formulated and made effective. Your Company resumed sales from November 2017. Hence, fresh sales booking was subdued in the fiscal.

### Balance Sheet

Your Company's Balance Sheet as at 31 March 2018 reflected a healthy position with a net worth of ₹ 35,359 crore. This was primarily aided by preferential offer of convertible instruments worth ₹ 11,250 crore to the promoters, of which ₹ 9,000 crore was paid in the fiscal under review. Balance money is expected to flow in FY 2018-19.

The inflow of money was utilized to pare down debt. The net debt stood at ₹ 6,265 crore as at 31 March 2018. The net debt to equity ratio was approximately at 0.18.

There is an inter-company payable of ₹ 8,300 crore (net of advances) from the Company to DCCDL & its subsidiaries on principal to principal basis. These payables did not get reflected in consolidated accounts earlier but get reflected now as DCCDL's assets and liabilities are no longer consolidated. DLF expects to settle these liabilities largely by transfer of its certain identified assets by 2020.

### DCCDL

In FY'18, DCCDL reported consolidated revenues of ₹ 4,930 crore. EBITDA stood at ₹ 3,523 crore and Net profit after tax, minority interest and prior period items was ₹ 1,421 crore.

The cost of land, plots, development rights, constructed properties and others increased to ₹ 1,047 crore, primarily due to capital being deployed to build out further projects. Staff costs increased marginally to ₹ 95 crore and depreciation, amortization and impairment charges were at ₹ 417 crore.

DCCDL's Balance Sheet as at 31 March 2018 reflected a healthy position with a net worth of ₹ 7,752 crore.

### Ind AS 115 – Revenue from contracts with customers

MCA has recently notified new Indian Accounting Standard 115 with effect from 1 April 2018. The core principle of the new standard is that revenue should be recognized only when entity transfers control of goods or services to customers, at the amount which the entity expects to be entitled. Ind AS 115 contains extensive disclosure requirements in comparison to existing accounting standards.

The new standard aims at providing more transparency towards revenue recognition. However, applying the new standard requires extensive use of judgement and estimates. Revenue being a key financial performance indicator, the new standard is expected to impact almost all sectors.

In real estate industry, the parameters for revenue recognition will undergo a significant change. Until now, your Company followed Percentage of Completion Method (PoCM) for revenue accounting.

Based upon the expert opinion, both legal and accounting, on the contracts entered into with customers, obtained by your Company, it would shift to recognition of revenues when obligations of the Company have essentially been completed, risks have nearly been eliminated for the organization and control over the property has deemed to be passed over to the buyer, from the FY 2018-19. Hence, the financial numbers for the quarter ended June 2018, would be disclosed following these principles.

The Company has laid out the following policy for recognizing revenue for different verticals of the business:

- In case of Built-up projects (residential and commercial), revenue shall be recognized on receipt of Occupation Certificate/ Partial Occupation Certificate and issue of Possession letter/ Fit-out letters.
- In case of Plotted developments, revenue shall be recognized on receipt of Completion/ Part Completion certificate and Possession letter having been issued.

In view of the above, your Company has applied the modified retrospective approach to contracts that were not completed as on 1 April 2018. Accordingly, your Company's retained earnings as at 1 April 2018 has been reduced by ₹ 5,382.82 crore (net of taxes).

### Strategy

The formation of joint venture between DLF and GIC Real Estate for DLF's predominant rental vehicle - DLF Cyber City Developers Limited (DCCDL) was undertaken with a twin objective - firstly to strengthen the balance sheet of DLF & significantly deleverage the Development business and secondly to provide key focus on accelerated growth of DCCDL business.

Within DCCDL, the focus is to work on a plan which provides growth of EBITDA in mid-teens. The free cash flow generated from DCCDL annuity income shall be judiciously utilized for capital expenditure, deleveraging and increasing dividend flow to its shareholders.

The development business shall be driven by appropriately utilizing free cash flow targeted for development into new projects with high returns on development costs and balance free cash flow to build-up cash reserves for any potential strategic initiatives.

In the last few years, the Company followed a strategy of accelerated construction and completion of all launched projects vis-à-vis sales thereby building finished inventory. Your Company today has finished inventory worth approximately ₹ 15,000 crore (net of construction expenses), which it shall continue to sell over a period of time.

Your Company will endeavor to sell future projects once they have attained a degree of tangible progress & reduced uncertainties. It has already launched construction of residential complex at Capital Greens IV, New Delhi, which is a part of 0.65 msm (7 msf) development, another JV with GIC. Further, projects are being identified for development, with an objective that inventory available for sale could be continuously replenished in a 4 year cycle.

Your Company's endeavour is to achieve a zero net debt level on the development side of the business in the near term.

## **THE BUSINESS STRATEGY REMAINS FOCUSED ON THE FOLLOWING KEY PILLARS:**

### **Continue to develop Lease Business**

We believe that demand for commercial office space will increase as the BFSI, IT/ ITeS and telecom sectors grow and continue to drive real estate demand. In addition, we expect significant demand for retail developments on account of factors such as scope for penetration of organized retail in India and absorption of existing supply of retail space in certain key regions.

We intend to develop our Lease Business as a platform operated primarily through DCCDL. Following the completion of the DCCDL transaction, DCCDL will be operated through an independent and highly experienced management team, with our Company and GIC acting as shareholders with common, aligned objectives. The majority of our rental property portfolio is already held through DCCDL, which owns and operates approximately 2.51 msm (27 msf) of commercial and retail properties and holds Land Reserves with an estimated Development Potential of approximately 1.77 msm (19 msf). Together with under construction project of 0.23 msm (2.5 msf), potential acquisitions by DLF Assets Private Limited of approximately 0.46 msm (5 msf) at Chennai and Hyderabad along with other potential acquisitions, this portfolio is slated to grow more than double in the next 10 years.

We believe that establishing DCCDL as an independent platform will unlock potential in our Lease Business as well as our Development Business.

Besides that, the Company which has over 0.37 msm (4 msf) of ready rental assets, will continue to grow and develop rental assets in its portfolio. The Company will

look into a separate monetization strategy for the same at a future date.

### **Attain an efficient capital structure with an optimal mix of debt and other financing sources**

Our aggregate Net Debt amounted to ₹ 6,265 crore, as at 31 March 2018. In Fiscal 2018, DLF paid/ prepaid debt facilities amounting to approximately ₹ 7,000 crore. With this, our gearing ratio now stands at 0.18. While we continue to reduce the overall indebtedness, we continue to improve the debt profile. The incremental cost for borrowing against rental assets stands below 9% and against development assets below 10%.

### **Leverage recent changes in development business**

We intend to utilize our market position and our complete or near-complete residential developments to take advantage of recent regulatory developments. We believe the reduced regulatory complexities and consequent mitigation of delays resulting from the sale of already developed residential properties, together with the high quality of our developments and reputation for timely project execution, will enable us to attract a greater number of home buyers. Further, we intend to leverage our scale of operations, expected low debt levels and market position to obtain easier financing and lower our finance costs, thereby enabling the sale of residential properties at competitive prices.

### **Continue to focus on building holistic business districts**

Our commercial lease business has been operated based on developing and leasing integrated business districts rather than individual buildings or complexes. Our commercial projects include integrated entertainment zones, retail areas and supporting infrastructure such as metro and rail connectivity. For example, DLF CyberCity project is one of the largest, self-sustained, integrated business districts in India comprising office buildings and structures that form part of corporate offices, IT Parks and IT SEZs and amenities such as convenience stores, banks, ATMs and health clubs, as well as DLF Cyber Hub, a retail complex housing several restaurants, cafeterias and other retail facilities. It is well connected to the Delhi Metropolitan Region and other locations in Gurugram, in particular due to its connection to the Delhi Metro through a private Rapid Metro-railway network facilitated by us. We intend to continue to focus on developing business districts and commercial zones, which will allow us to attract a high-quality tenant base comprising high-income customers and multinational corporates.

### **Continue to rationalize land reserves and increase presence in strategic locations**

In furtherance of the strategies discussed above, we seek to concentrate on and expand our operations in certain key

geographic markets that we consider to be strategically important. We intend to continue to focus on rationalizing portions of our Land Reserves that we do not consider having significant development potential. We intend to continue to do so in the near future. At the same time, we intend to continue to selectively replenish our Land Reserves to the extent consistent with our strategic imperative of contiguity and so far as it is required to implement our strategy of achieving the appropriate product and price mix.

## REVIEW OF OPERATIONS

### Development Business

Your Company's development business primarily focuses on the development and sale of residential real estate which include plotted developments, houses, villas and apartments of varying sizes and integrated townships, with a focus on the high end, luxury residential developments. The development business also consists of certain commercial and shopping complexes, including those that are integral to the residential developments they are attached to.

Your Company has now primarily categorized its development business into two broad categories viz. Gurgaon DevCo and National DevCo. Both these geographical segments are independently responsible and accountable for all activities across the product value chain from acquisition of land, obtaining approvals, project planning and execution, to launch, sales & marketing and final delivery of the developed property to the customers.

### Residential Segment

#### Projects under Construction

As at 31 March 2018, your Company had approximately 0.56 msm (6 msf) of projects under construction.

The Company clocked gross sales booking of ₹ 1,700 crore in FY'18. It is pertinent to note that these figures reflect sales achieved over a period of 7 months as sales were closed for the balance period due to implementation and streamlining of operations as per RERA.

### Lease Business

Your Company's lease business involves leasing of its developed offices and retail properties. One of the key objectives of its lease business is to achieve returns from investments in its portfolio properties within a targeted timeframe. Another key objective is to achieve high occupancy rates for the leased portfolio properties. The utilities and facility management business supports and complements the lease business.

As at 31 March 2018, your Company's lease business comprised completed offices and retail properties with leasable area of approximately 2.93 msm (31.50 msf)

(including DCCDL). On completion of development at Chennai SEZ and Cyber Park, Gurugram approximately 0.34 msm (3.65 msf) area would be added.

### Offices Segment

As at 31 March 2018, the occupancy rate for your Company's leased offices portfolio was approximately 87%.

### Retail Segment

As at 31 March 2018, the occupancy rate for your Company's leased retail portfolio was approximately 98%.

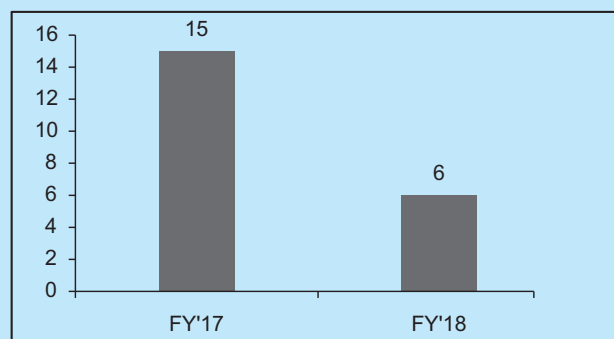
The fast growing retail market presents significant market potential for your Company to expand its retail portfolio.

### Company's Project Execution Status and Development Potential

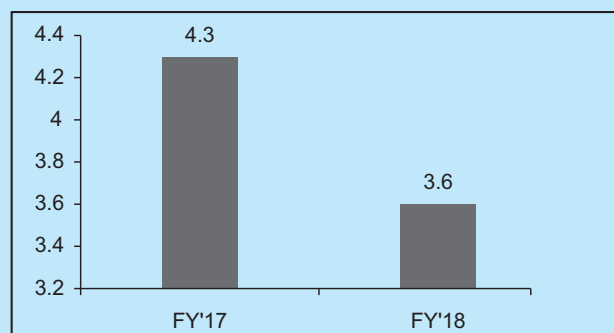
Your Company completed approximately 0.8 msm (8.6 msf) of commercial and residential projects in FY'18. As a result, the total area under construction was approximately 0.89 msm (9.6 msf) as at 31 March 2018, out of which 0.23 msm (2.5 msf) is housed under DCCDL.

## AREA UNDER EXECUTION (MSF)

### Development Business



### Rental Business



## OTHER BUSINESSES

### Hotels

Your Company continues to own two hotel properties viz. The Lodhi, which is an iconic hotel property located in New Delhi which it manages itself and Hilton Garden Inn, Saket which is managed by Hilton.

### Human Resources

DLF's focus remains on building capability and creating a performance-oriented work culture to accelerate business performance. As at 31 March 2018, DLF including its subsidiaries, employed 1,626 employees (excluding 561 nos. in Hospitality Vertical - Lodhi & SETZ). In addition, the Company engages outsourced employees in various areas of its operations viz. Facility Management, PMC, Construction, Accounting and Hospitality Services.

Our focus is on employee-friendly initiatives and policies to upgrade quality of talent, enrich learning experience and improve their work-life balance. Focus areas of various initiatives in the year gone by are as under:

**Attract & Retain talent:** DLF views its people as the key driver of business. DLF regularly reviews the talent and potential of its employee base. Annual talent reviews have facilitated in identification of top talent for growth opportunities with focus on nurturing "young talent".

We leverage differences in age, knowledge, qualifications, skill, professional experience, culture, geography & sector to retain our competitive edge and focus on refreshing and upgrading our talent pools in key positions to changing business imperatives.

**Reward & Recognition Programs** continues to play a vital role in rewarding individual and team performance. Performance based incentive programs for Sales & Leasing teams have paid rich dividends in accelerating the sales efforts.

**Diversity and Inclusion:** The Company strives to create a workplace that is diverse and inclusive across multi-generations and gender with equal opportunities to all. 28% of employees today are millennials. DLF recognises and respects different cultures, nationalities, races, religion amongst its people.

Our focus has always not only been to provide equal opportunities to our women employees but taking an extra leap to protect and nurture their well-being and drive home the point "I respect women". The Company's policy was updated to provide 26 weeks of paid maternity leave, along with a commitment to provide the same role or an equivalent one to the woman employee on her return with other facilities and benefits. Our commitment to Women Safety includes redressal of Complaints under our Corporate Policy on Prevention, Prohibition & Redressal

of Sexual Harassment of Women at Workplace, Gender Sensitivity Workshops, Self-Defence Programs apart from a host of other initiatives including counselling facilities to manage the unique work-life balance issues women face. "Jagruti" is a "Only Women" platform for experience sharing, creating awareness and networking. Annual conference on International Women's day "How She Did It" serves to inspire, ignite and impact our women as it show cases the success stories and experiences of our Women workforce.

**Work-life Balance, Wellness & Wellbeing:** Our holistic wellness program sensitises our employees about the concept of work-life balance and importance of a healthy lifestyle, emotional, physical well-being and prevention of diseases. Annual Medical check-ups, structured monthly health programs, health bulletins, health talks and awareness campaigns are carried out regularly. In addition, we have in place attractive and comprehensive group Mediclaim & Accident Insurance Policies including emergency response facilitation, tie ups with hospitals and diagnostic centres as well as facility for ongoing consultation with In-house Doctors and Counsellors. Flexi-timings and encouraging employees to avail leave annual vacation are also efforts to promote work-life balance.

**Employee Connect and Engagement:** Instilling open communication with the underlying theme of celebrating, connecting and working together are integral part of our engagement initiatives. Employees across levels have access to raise their concerns at various levels which are addressed and resolved satisfactorily. Our in-house HR News letter-SAMPARK and internal HR Help lines, Bulletins and Focused Team Connect sessions at various levels apart from Employees Satisfaction and other Surveys continue to pay rich dividend in understanding the pulse of our employees and addressing their concerns.

To foster a culture of expressing appreciation and gratitude, a peer-to-peer recognition program-**APPLAUSE** is available to employees through ONLINE/ WEB LINK "iCARE4U".

**DLF EPL** (an internal annual DLF Cricket tournament) continues to be highlighted in our engagement calendar even after a decade of its inception and goes a long way to foster team spirit and build healthy camaraderie among the employees.

"**DLF Parichay**" the updated On-boarding program aims at creating a WOW welcome experience for our new joinees with focus on communicating with clarity & consistency the policy benefits, entitlements and the introduction to DLF & the teams with handholding till their confirmation.

As a first step to digitalizing HR services, mobile app **RamcoMhub** has been developed to comprehensively manage employee communication and services and calendar.

**Learning & Development:** Our Company provides a stimulating work environment for learning and development opportunities and a platform for working with best-in-class professionals/ outsourced partners in various fields on an ongoing basis. Our framework provides for a healthy blend of on the job learning, learning from others and classroom training. In-house programs carried under “**Seekh aur Vikas**” have covered 1,520 employees in wide ranging programs covering Customer Experience, Business Communication, Interpersonal Skills, Positive Attitude and Team Working etc. Under our program “**Saksham**” we have covered over 800 employees spread over almost 9500 training hours at the grass root level to improve their productivity and efficiency.

As part of our commitment to create and invest to build a pool of exceptional talent and capabilities and future leadership pipeline, we plan to provide best-in-class learning opportunities in premium Management Institutes in India and abroad both in functional and general management areas. Identified employees have been sponsored to Harvard Business School for General Management Programs. To enable our employees to chart their own learning journey we are in the process of launching and providing access to the My Learning App, one of the best-in-class online learning resources.

## **OUTLOOK ON RISKS & CONCERNS**

Your Company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks and also the investment outlook towards Indian real estate sector. Some of the risks that may arise in normal course of its business and impact its ability for future developments include inter-alia, credit risk, liquidity risk, counter party risk, regulatory risk, commodity inflation risk and market

risk. Your Company’s chosen business strategy of focusing on certain key products and geographical segments is also exposed to the overall economic and market conditions. Your Company has implemented robust risk management policies and guidelines that set-out the tolerance for risk and your Company’s general risk management philosophy. Accordingly, your Company has a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner.

### **Cautionary Statement**

*The above Management Discussion & Analysis contains certain forward-looking statements within the meaning of applicable security laws and regulations. These pertain to the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation, etc. In accordance with the Regulations on Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.*

# Corporate Governance Report



The Skycourt, DLF Gardencity, Gurugram

## Corporate Governance Report

The Corporate Governance report has been prepared in compliance with the requirements of Regulations 17 to 27 read with Schedule V and Clauses (b) to (i) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### Corporate Governance Philosophy

The Board and Management of DLF believe that operating to the highest level of transparency and integrity in everything we do, is integral to the culture of our Company. The Company's visionary founder Choudhary Raghvendra Singh established the culture of ensuring that all our activities are for the mutual benefit of the Company and all our stakeholders comprising customers, regulators, employees, shareholders and the communities at large to whom the Company is privileged to serve. The Board and management of DLF are committed to the highest standards of accountability, transparency, social responsiveness, operational efficiency and good ethics following the strong legacy to attain consistent, competitive, responsive growth and creating long-term value for the stakeholders.

The Company is committed to sound Corporate Governance practices and compliance with all applicable laws and regulations. The Board believes that combining the highest level of ethical principles with our unmatched brand, experience and expertise, will ensure that we continue to be the leading company in Building India.

The Board also believe that sound corporate governance is critical to retain stakeholders' trust. Accordingly, the Company views corporate governance in its widest sense almost like a trusteeship, a philosophy to be progressed, a value to be imbibed and an ideology to be ingrained into the corporate culture.

DLF has implemented corporate governance practices that go beyond just meeting the letter of law and has not only adopted practices mandated in the Listing Regulations, but also incorporated the relevant non-mandatory recommendations.

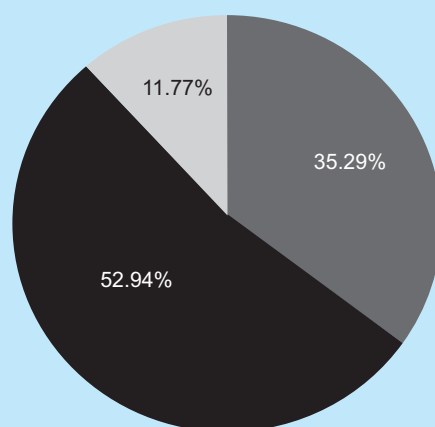
### Governance Structure

The Company has put in place an internal governance structure with defined role and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has constituted various Committees to discharge its responsibilities in an effective manner. The Company Secretary acts as the Secretary to all the Committees. The Chairman provides overall directions and guidance to the Board. The Vice Chairman provides strategic directions to the management. The Chief Executive Officer(s), Whole-time Director(s) and a group of senior

executives of the Company, are individually empowered for day to day operations and functioning and accordingly roles and responsibilities are assigned to them by the Board.

### The Board

The Board of your Company represents a healthy blend and optimal mix of professionalism, knowledge and experience which enables the Board to discharge its responsibilities and provide effective leadership for long-term vision and to achieve the highest level of governance. As on the date of this report, the Board consist of 17 Directors - 6 Executive Directors (35.29%) and 11 Non-executive Directors (64.71%) including 9 Independent Directors (52.94%).



■ Executive Directors ■ Independent Directors ■ Non-Independent Directors / Non-Executive Directors

The Company has appointed Mr. Ashok Kumar Tyagi and Mr. Devinder Singh as Whole-time Directors for a period of five years with effect from 1 December 2017.

The Board has also appointed Mr. Vivek Mehra as Director (in the capacity of Independent Director) w.e.f. 13 February 2018 for a period of five years, subject to the approval of the shareholders.

The Board critically evaluates the Company's strategic directions, management policies and their effectiveness. The Board regularly reviews inter-alia, industry environment, annual business plans and performance against the plans, business opportunities including investments/ divestment, related party transactions, compliance processes including material legal issues, strategy, risk management practices and approval of financial statements/ results. Senior executives are invited to provide additional inputs at the Board meetings for the items discussed by the Board of Directors, as and when required. Frequent and detailed interaction provides the strategic roadmap for the Company's future growth.

Executive Director(s) are appointed by the shareholders for a maximum period of 5 years at a time or such shorter



duration on recommendation of the Nomination and Remuneration Committee & the Board and are eligible for re-appointment upon completion of their term.

Appointments and tenure of Independent Directors adhere to the requirements of the Companies Act, 2013 read with Regulation 25 of the Listing Regulations.

### **Lead Independent Director**

The Company's Board of Directors has designated Mr. K.N. Memani as the Lead Independent Director with the following roles:

- (a) To call and preside over all meetings of Independent Directors.
- (b) To ensure that qualitative, quantitative and timely flow of information between the Company management and the Board exists which is necessary for the Board to effectively and reasonably perform their duties.
- (c) To review the performance of Non-independent Directors and the Board as a whole.
- (d) To review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors.
- (e) To liaise between Chairman/ Vice Chairman, the management and the Independent Directors.
- (f) To advise on the necessity of retention or otherwise of consultants to report directly to the Board or the Independent Directors.
- (g) To perform such other duties as may be delegated to Lead Independent Director by the Board/ Independent Directors.

### **Corporate Governance Practices**

DLF adheres to the highest standards of Corporate Governance. At DLF, the corporate governance is a voyage to constantly improve sustainable value creation. Some of the best implemented governance norms are as follows:

- The Company has independent Board Committees for matters related to corporate governance, stakeholders' interface, corporate social responsibility, risk management and nomination of Board members.
- A Lead Independent Director with defined role.
- All securities related filings with Stock Exchanges are reviewed by Stakeholders Relationship Committee of Directors.
- The Company's internal audit is conducted by independent auditors.
- The Company undergoes secretarial audit conducted by an independent company secretary in whole-time

practice. The secretarial audit report is placed before the Audit Committee and Board.

- The Company has appointed Independent Director(s) in the material unlisted subsidiary companies.

### **Review of Corporate Governance Framework**

The Board regularly reviews governance structure and the best practices including regulatory requirements. The significant developments which were initiated in the governance framework are set out as under:

#### **(a) Audit Committee**

The Audit Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Listing Regulations, as amended.

#### **(b) Corporate Social Responsibility (CSR) Committee**

The Company has made significant investments in community welfare initiatives including the underprivileged through education, training, health, environment, capacity building and rural centric interventions. The CSR Committee formulates and institutionalizes transparent monitoring mechanism for ensuring implementation of CSR policy in line with the requirements of the Companies Act, 2013.

#### **(c) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is governed by a Charter which is in line with the requirements mandated by the Companies Act, 2013 and Listing Regulations, as amended.

#### **(d) Risk Management Committee**

The Risk Management Committee is responsible for framing, implementing, monitoring the risk management plan/ policy and ensuring its effectiveness for the Company. Risk evaluation and its management is an on-going process within the organization. The Company has a robust risk management framework to identify, evaluate, mitigate, monitor and minimize risks to achieve key business objectives.

#### **(e) Stakeholders Relationship Committee**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations, as amended, the Stakeholders Relationship Committee reviews redressal of shareholder and investor grievances, stock exchange filings and regulatory changes and updation.

### **Compliance Initiatives**

At DLF, compliance is a way of life. Our compliance priorities have taken into account and fulfilled the

continuously evolving requirements in the field of compliance requirements that reflect both our own work and the changing market conditions and non-compliance risks of our business activities. The Company reviews the compliance risks at regular interval.

The management as a transformation to support best processes has dedicated a governance structure ensuring placement of all statutory and regulatory including environmental approvals required before launching any project.

The Company has also developed a robust, institutionalized and integrated compliance framework to provide reasonable assurance to the management and the Board about effectiveness of its compliance management systems. The compliance management system was reviewed and updated by an expert independent agency and training sessions were held to review the sensitivity of the compliance mechanism and importance of compliance.

### **Amendment in the Listing Regulations-Kotak Committee Recommendations**

The Securities and Exchange Board of India (SEBI) vide its notification dated 9 May 2018 has amended the Listing Regulations by accepting some of the recommendations of Kotak Committee on Corporate Governance. These changes are made to align with some of the best corporate governance practices followed worldwide. The Company shall ensure to comply with the said amendments.

### **Company Secretary's Role**

The Company Secretary being a key managerial personnel and compliance officer of the Company ensures that the Board procedures are followed and reviewed regularly. He provides all the relevant information, details and documents to the Directors and senior management for effective deliberation and decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in conducting affairs of the Company, to ensure compliance with applicable statutory and regulatory requirements including Listing Regulations and Secretarial Standards, to provide guidance to the Directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance related matters.

### **Profile of Directors**

**Dr. K.P. Singh** (Kushal Pal Singh) (DIN 00003191), the Chairman of the Company, graduated in Science from Meerut University and pursued Aeronautical Engineering in England. He was selected to the Indian Army by the British Officers Services Selection Board, UK; underwent training as a cadet at IMA Dehradun and served in The Deccan Horse cavalry regiment. In 1960, he joined American

Universal Electric Company and took over as the Managing Director after its merger with DLF Universal Limited (now DLF Limited).

As Chairman of DLF, he is widely credited with spearheading a transformation of the real estate sector in India and is best known for developing the Gurgaon (renamed Gurugram) satellite city project in Haryana and his catalytic role in making India the global hub for business process outsourcing.

In 2010, he was conferred with the *Padma Bhushan* national award by the President of India in his recognition of exceptional and distinguished services to the Nation.

He is also the recipient of numerous other awards and honours, including the *Samman Patra* by the Government of India for being one of the top tax payers of Delhi region in 2000 and the *Delhi Ratna Award* by the Government of Delhi for his contribution towards urban development. He has been conferred with an Honorary Doctorate by the G.B. Pant Agriculture University. He has been presented with the prestigious royal decoration of *Officer of the Order of St. Charles*, by HSH Prince Albert II in recognition of his valuable contributions as Honorary Consul General of the Principality of Monaco in Delhi. He is the recipient of the *Entrepreneur of the Year 2011* award at The Asian Awards in October 2011 at London and was conferred the *Indian Business Leader of the Year* award at the Horasis Global India Business Meeting held in Antwerp, Belgium in June 2012. *Lifetime Achievement Award* was conferred on him by Mail Today for his contribution in real estate orbit in Delhi & NCR.

Dr. Singh had held several important business, financial and diplomatic positions including as a Member of the International Advisory Board of Directors of General Electric; Member, Central Board of the Reserve Bank of India and was President of ASSOCHAM in 1999 and was earlier President of the PHD Chamber of Commerce and Industry.

Committed to the philosophy that the corporate sector should play a proactive role in promoting the cause of inclusive growth, Dr. Singh motivated to establish DLF Foundation in 2008 as philanthropic arm of DLF Limited, providing structure and focus to the social outreach initiatives of the Company. He being Chairman of the CSR Committee regularly provides strategic directions and guidance in planning and policy making of CSR activities.

**Mr. Rajiv Singh** (DIN 00003214) is the Vice Chairman of the Company. He is a graduate from the Massachusetts Institute of Technology, U.S.A. and holds a degree in Mechanical Engineering. Mr. Singh has over three decades of professional experience. Mr. Singh spearheads the strategy implementation; also provides oversight and guidance in corporate structuring in relation to major investments and allied matters.

**Mr. Mohit Gujral** (DIN 00051538) CEO & Whole-time Director, in addition to being one of India's finest architects, is also a dynamic business leader. His career spans over three decades as an entrepreneur and a business leader with diverse experience in successfully incubating and growing businesses and designing buildings in residential, commercial and retail segments.

After having attained his degree in architecture from C.E.P.T., Ahmedabad, he went on to become the Principal Architect and Chief Designer at 'Designplus Architecture', a leading architectural design firm. Subsequently, he expanded his role by setting-up "Delanco Real Estate", a full-fledged real estate company in association with DLF.

Mr. Gujral has to his credit, many architectural accomplishments. These range from luxury malls such as DLF Emporio & DLF Promenade to luxury holiday homes like Samavana, Kasauli and Samatara, Shimla. Other marquee developments include CMC, Genpact buildings at Hyderabad and Cyber Greens at Gurgaon (now Gurugram).

Mr. Gujral is member of Finance, Corporate Social Responsibility and Risk Management Committee(s) of the Company.

**Mr. Rajeev Talwar** (DIN 01440785) CEO & Whole-time Director, an alumnus of St. Stephen's College, University of Delhi has started his career as a Probationary Officer in State Bank of India and was selected for Indian Administrative Service (IAS) in the year 1978. He has held many important positions in the Central and State Governments also in the Union Territories. He has rich and wide experience of policy-making in crucial sectors of the economy with exposure to management of a number of public sector enterprises and statutory bodies in the transport, tourism and infrastructure sectors. He was on the Board of Delhi Tourism and Transport Development Corporation, Delhi Transport Corporation, Delhi Metro Rail Corporation and Indraprastha Gas Limited.

As a Government officer, he has many achievements to his credit. He was among the pioneers in the formulation, implementation and promotion of India's tourism policy including their marketing both in India and overseas; instrumental in preparation and implementation of Delhi's environment policy and Delhi's tourism policy. Mr. Talwar was instrumental for shifting all commercial vehicles in Delhi to CNG and was associated for unprecedented increase in port capacities in India mainly through private sector investment and ploughing back of profits.

He is Sr. Vice-President of PHD Chamber of Commerce and Industry and Director on the Board of several other companies.

Mr. Talwar spearheads National Real Estate Development Council (NAREDCO). NAREDCO is an apex body of real

estate sector, under the aegis of Urban Development, Ministry of Housing and Urban Poverty Alleviation, Govt. of India.

He is member of Corporate Social Responsibility, Stakeholders Relationship and Risk Management Committee(s) of the Company.

**Mr. Ashok Kumar Tyagi** (DIN 00254161) Whole-time Director, an alumnus of IIT Roorkee and IIM, Ahmedabad has rich and vast practical experience of over three decades in various capacities. Before joining DLF, he has worked with Genpact, General Electric and IFFCO. Mr. Tyagi spearheads the functions of Finance, Accounts, Taxation, Corporate Affairs, Corporate Legal, Internal Audit & Information Technology.

He is member of Finance Committee of the Company.

**Mr. Devinder Singh** (DIN 02569464) Whole-time Director, is B.E. (Civil) from Punjab Engineering College, Chandigarh and PGDM from MDI Gurgaon. He has rich experience in various capacities in his career of over three decades. Mr. Singh is responsible for the overall business for Gurgaon Devco including Township & Estate Management, Building Management, Projects, Commercial Complexes and existing Clubs for DLF City, New Gurgaon Devco. He is also responsible for Sales, Marketing & Customer Relationship Management for New Gurgaon as well as for Land Management, Government Approvals, Revenue and Legal/ Regulatory matters for Gurgaon Devco. He is also Managing Director of DLF Home Developers Limited, a wholly-owned subsidiary.

He is member of Finance and Risk Management Committee(s) of the Company.

**Ms. Pia Singh** (DIN 00067233) is a graduate from the Wharton School of Business, University of Pennsylvania, U.S.A. with a degree in Finance. Having over 23 years of experience, Ms. Singh is a Director on the Board for the last 15 years. Prior to that she has served in the risk-undertaking, department of GE Capital, investment division of General Electric.

She is Director on the Board of DLF Brands Limited and several other Companies. She is member of Corporate Social Responsibility Committee of the Company.

**Mr. G.S. Talwar** (DIN 00559460) is the founding Chairman and Managing Partner of Sabre Capital Worldwide, a private equity and investment company focused on financial services.

He started his career with Citibank in India. He was subsequently responsible for building and leading Citibank's retail businesses across all the countries in Asia-Pacific and the Middle East and subsequently for managing Citibank's businesses in Europe and North America. He was appointed Executive Vice President of Citibank and Citigroup.

He left Citigroup to join Standard Chartered Plc, where he was appointed Global Chief Executive. He was the first Asian to have been appointed Global Chief Executive of a FTSE 15 companies and of a major international bank.

Mr. Talwar was Chairman of Centurion Bank of Punjab Limited. He has also served on the global boards of Pearson Plc, Schlumberger Limited and Fortis SV and NA. He is founding Governor of Indian School of Business (ISB), Hyderabad, a former Governor of the London Business School and is Patron of the National Society for Prevention of Cruelty to Children.

He is Director on the Board of Asahi India Glass Limited, Great Eastern Energy Corporation Limited and several other companies. He is member of Corporate Governance Committee of the Company.

**Mr. K.N. Memani** (DIN 00020696) Lead Independent Director, is a Fellow Member of the Institute of Chartered Accountants of India and a former Chairman and Country Managing Partner of Ernst & Young, India. He was also Member of the Ernst & Young Global Council.

He specializes in business and corporate advisory, foreign taxation, financial consultancy etc. and is a consultant on corporate matters of several domestic & foreign companies.

Mr. Memani headed Quality Review Board - an oversight board to review the quality of auditors set-up by the Government of India. He was associated with National Advisory Committee on Accounting Standards (NACAS) and an Expert Committee for amendments to the Companies Act, 1956 constituted by the Government of India. He was also member of the External Audit Committee of International Monetary Fund (IMF) for 2 years.

Currently, he is on the managing committee/ governing boards of various industry chambers, educational institutions and social organizations.

He is Director on the Board of Emami Limited, HT Media Limited, JK Lakshmi Cement Limited and National Engineering Industries Limited.

He is member of Corporate Governance and Risk Management Committee(s) of the Company.

**Dr. Dharam Vir Kapur** (DIN 00001982) was born in 1928 in Peshawar where he had his early education. He graduated with honours in Electrical Engineering in 1951 from Jadavpur, Kolkata and has wide experience in Power, Capital Goods, Chemicals and Petrochemicals Sectors.

After varying stints from 1951 to 1962, as an Electrical Engineer in Hirakud Dam project, Punjab State Electricity Board and Indian Railways, he served with distinction in various positions in Bharat Heavy Electricals Limited. Most remarkable achievement of his career was

establishment of fast growing systems oriented National Thermal Power Corporation (NTPC) as the founder Chairman-cum-Managing Director (CMD) and was described as a 'Model Manager' by the Board of Executive Directors of the World Bank. Dr. Kapur has authored "The Bloom in the Desert - The Making of NTPC", the phenomenal success story which in a large part is the result of the processes and work culture put in place by Team NTPC led by him during early years. As a technocrat, Dr. Kapur also has the rare distinction of holding a diplomatic assignment as First Secretary/ Counsellor in Indian Embassy in Moscow, to coordinate economic relations and wide ranging industrial collaborations between Soviet enterprises and PSEs in India.

As Secretary to the Government of India in the Ministries of Power, Heavy Industry and Chemicals & Petrochemicals during 1980-86, Dr. Kapur was actively involved in establishing "Maruti" in collaboration with Suzuki of Japan to set up a state of art automobile plant. He also made significant contributions by introducing new management practices and liberalization initiatives including "Broad Banding" and "Minimum economic sizes" in industrial licensing. He was also associated with a number of National Institutions as Member, Atomic Energy Commission; Member, Advisory Committee of the Cabinet for Science and Technology; Chairman, Board of Governors, IIT Bombay (1983-94); Member, Board of Governors, IIM Lucknow and Chairman, National Productivity Council. Dr. Kapur was also member of various government committees.

In recognition of his "services and significant contributions in the field of Technology, Management and Industrial Development", Jawaharlal Nehru Technological University, Hyderabad, conferred on him degree of D.Sc. In March 2010, Dr. Kapur delivered 'Dr. Triguna Sen Memorial Lecture' and the National Council of Education, Bengal conferred its "Fellowship" on him. He is recipient of "India Power, Life Time Achievement Award" presented by Council of Power Utilities, for his contributions to Energy and Industry sectors. ENERTIA Awards 2010 also conferred Life Time Achievement Award on Dr. Kapur. Project Management Associates, India adopted Dr. D.V. Kapur as Mentor during its 20<sup>th</sup> International Conference in December 2013. Dr. Kapur is also recipient of "Meritorious Services Award" for "exemplary services to Indian Energy Sector" presented by India Energy Forum. Eminent Engineer Award 2016 has been awarded to Dr. Kapur by Engineering Council of India (ECI).

In addition to DLF Limited, Dr. Kapur is also on the Board of Honda Siel Power Products Limited and other private limited companies. He has also served on the Board of Reliance Industries Limited, Tata Chemicals Limited, Larsen & Toubro Limited and Ashok Leyland Limited. He has also been Chairman of subsidiaries of Jacobs

Engineering Consultants (USA) and GKN plc (UK). He was also the founding Chairman of Reliance Power Limited.

He is Chairman of Corporate Governance, Stakeholders Relationship, Risk Management and member of Audit Committee(s) of the Company.

**Mr. Ved Kumar Jain** (DIN 00485623) is a Fellow Member of the Institute of Chartered Accountants of India ('ICAI') and holds three Bachelor's degrees - in law, science & economics. Mr. Jain has been the President of the ICAI. He was also on the Board of International Federation of Accountants (IFAC) during 2008-11, a global organization for the accountancy profession comprising 167 members and associates in 127 countries.

Mr. Jain was also on the Board of Governors of the Indian Institute of Corporate Affairs of the Ministry of Corporate Affairs, Government of India. He has also held the position of 'Member of Income Tax Appellate Tribunal', in the rank of Additional Secretary, Government of India.

Post Satyam episode, Government of India appointed him on the Board of two of the 'Satyam' related companies which he has successfully revived and put both these companies back on track.

He has more than three decades of experience on advising corporates on finance and taxation matters. Mr. Jain specializes in Direct Taxes and has handled complicated tax matters, appeals and tax planning of big corporates. A prolific writer, Mr. Jain has authored many books on direct taxes and is a regular contributor to articles on tax matters in various professional journals and newspapers.

Mr. Jain is Chairman of Multi Commodity Exchange Clearing Corporation Limited.

He is Chairman of Audit and member of Corporate Social Responsibility, Nomination and Remuneration, Finance, Stakeholders Relationship and Risk Management Committee(s) of the Company.

**Mr. B. Bhushan** (DIN 00004942) a Fellow Member of the Institute of Chartered Accountants of India and an Associate Member of the Institute of Cost Accountants of India, has over four decades of experience in finance, capital markets, taxation, corporate affairs and general management.

Mr. Bhushan is the Chairman of Integrated Capital Services Limited and is on the Board of several other companies.

Mr. Bhushan is the Chairman of Nomination and Remuneration and member of Audit and Finance Committee(s) of the Company.

**Mr. Pramod Bhasin** (DIN 01197009) a Chartered Accountant from England & Wales, founded Genpact (formerly GE Capital International Services) in 1997.

He was the President and CEO of Genpact till June 2011. He is considered the founder and pioneer of the business process management industry in India. Under his leadership, Genpact pioneered the Business Process Management Industry in India.

Prior to Genpact, his career with GE spanned 25 years across the US, UK and Asia. He was earlier the CEO of GE Capital in India & Asia and prior to that worked with GE Capital in Stamford, CT in the Leveraged Buy Out group.

In September 2016, he along with partners acquired the businesses of GE Capital - India, now known as Clix Capital. He is the Chairman of Clix Capital, which is a broad based NBFC, focused on providing digital platforms and financial services to commercial companies and consumers across India.

He serves on the Board of New Delhi Television Limited, SRF Limited and several other companies. He is also on the governing Board of ICRIER, Help Age and The Shri Ram School. He has been the Chairman of Nasscom and noted "IT Man of the Year" by Dataquest.

He is a strategic advisor to Kedaara, a leading Private Equity firm in India. He is a member of TIE-NCR and currently its President. He is also a member of the Advisory Board for Cisco in India.

Mr. Bhasin is a member of Audit and Corporate Social Responsibility Committee(s) of the Company.

**Mr. Rajiv Krishan Luthra** (DIN 00022285) is the Founder & Managing Partner L&L Partners (Formerly Luthra & Luthra Law Offices) - one of the largest law firms in India. He has over three decades of experience in advising clients on a vast range of commercial transactions including infrastructure projects in India, Sri Lanka, Bangladesh, People's Republic of China, Nepal and Nigeria. He has successfully handled various disinvestment, privatization and restructuring assignments and has worked on some of the largest mergers in Indian corporate history. He has to his credit a number of publications in various national and international professional journals and magazines.

Mr. Luthra serves on numerous committees and advisory bodies. He also serves on the Board of Network18 Media & Investments Limited, TV18 Broadcast Limited, Mylan Laboratories Limited, VLCC Health Care Limited and several other companies.

He is member of Stakeholders Relationship and Corporate Governance Committee(s) of the Company.

**Lt. Gen. Aditya Singh (Retd.)** (DIN 06949999) served in the Indian Army for over 40 years. In addition to wide experience in all fields, he was the Commander-in-Chief of the Andaman and Nicobar Command in 2005 and responsible for relief and rehabilitation of the Islands ravaged

in the Tsunami of December 2004. Later he was GOC-in-C, Southern Command the largest and senior most Command of the Indian Army. After retirement he was appointed as member of the National Security Advisory Board from 2008 to 2010. He was also an advisor to JCB India from 2008 to 2013. Currently National Security Advisor to the Delhi Policy Group. He has received three of the highest awards for distinguished service from The President of India and was honoured as his Aide-de-Camp. He is on the Board of DLF Home Developers Limited, DLF Cyber City Developers Limited and several other companies.

He is member of Nomination and Remuneration Committee of the Company.

**Mr. A.S. Minocha** (DIN 00010490), an MBA from Faculty of Management Studies, University of Delhi, Fellow Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India, has over four decades of experience in various capacities in India & abroad both in public sector and private sector organizations such as Indian Oil Corporation, Telco (now Tata Motors Limited), Maruti Udyog Limited and GHCL Limited in senior management positions.

He is member of Audit, Corporate Governance, Nomination and Remuneration, Risk Management and Finance Committee(s) of the Company.

**Mr. Vivek Mehra** (DIN 00101328), a Fellow Member of the Institute of Chartered Accountants of India with over 35 years of experience in tax, regulatory, M&A tax structuring and consulting space. He has set-up and headed PwC India's Regulatory practice. He also headed PwC India's M&A Tax practice and was elected member of the PwC Governing Board for two consecutive terms since 2007. He was also Member of PwC India's Tax Leadership Team. Before joining PwC, he was Managing Partner in P.R. Mehra & Co., Chartered Accountants, New Delhi.

Mr. Mehra has been instrumental in helping several significant policy initiatives with regulatory authorities like Foreign Investment Promotion Board, Reserve Bank of India, SEBI, tax authorities and various Central Government Ministries.

He is on the Board of Jubilant Life Sciences Limited, HT Media Limited, Bharat Hotels Limited and several other companies.

He is member of Audit Committee of the Company.

### **Board Meetings**

The Board regularly meets to deliberate and decide Business Policy and strategy in addition to the routine and other statutory businesses. All material information was circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as per Part A of Schedule II of Regulation 17(7) of the Listing Regulations.

A tentative meetings calendar of the Board/ Committee is circulated to the Directors to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. Additional meetings are convened wherever necessary. The Company also provides video conferencing facilities to its Directors to enable their participation, so that they can contribute in the deliberations of the meetings.

Generally, meetings of the Board/ Committees are held in New Delhi/ Gurugram. The agenda of the Board/ Committee meetings is prepared by the Company Secretary in consultation with the Chairman/ Chairman of the respective Committee.

During the financial year 2017-18, nine Board meetings were held on 26 May, 12 & 25 August, 29 September, 10 November, 1 & 29 December 2017, 13 February and 20 March 2018. The maximum interval between any two Board meetings was 78 days.

The Company Secretary attends all the meetings of Board and its Committees and is inter-alia responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards and then the minutes are entered in the minutes book within 30 days of the conclusion of the respective meetings.

*Follow-up:* The Company has an effective post meeting follow-up, review and reporting process for the decisions taken by the Board. The significant decisions of the Board are promptly communicated to the concerned departments/ business units. Action taken reports on decisions of the previous meeting(s) are placed at the immediate succeeding meeting for review by the Board.

## Composition, Directorships and Attendance

| Name & Designation                                | Financial Year<br>2017-18<br>Attendance at |             | No. of Directorships in<br>other companies as on<br>31.3.2018* |        |         | No. of Committee<br>positions held in public<br>companies including DLF<br>Limited as on 31.3.2018** |           |
|---|--|-------------|--|--------|---------|--|-----------|
|   | Board<br>Meeting                           | Last<br>AGM | Listed   | Others |         | Chairman   | Member*** |
|   |  |             |  | Public | Private |  |           |
| <b>(a) Promoter/ Promoters Group</b>              |  |             |  |        |         |  |           |
| Dr. K.P. Singh<br>Chairman                        | 6  | Yes         | Nil  | Nil    | 4       | Nil  | Nil       |
| Mr. Rajiv Singh<br>Vice Chairman                  | 8  | Yes         | Nil  | Nil    | 9       | Nil  | Nil       |
| Ms. Pia Singh                                     | 6  | No          | Nil  | 1      | 10      | Nil  | Nil       |
| <b>(b) Executive Directors</b>                    |  |             |  |        |         |  |           |
| Mr. Mohit Gujral<br>CEO & Whole-time Director     | 7  | Yes         | Nil  | 2      | 6       | Nil  | Nil       |
| Mr. Rajeev Talwar<br>CEO & Whole-time Director    | 7  | Yes         | Nil  | 5      | Nil     | Nil  | 1         |
| Mr. Ashok Kumar Tyagi#<br>Whole-time Director     | 4  | NA          | Nil  | 2      | Nil     | Nil  | 2         |
| Mr. Devinder Singh#<br>Whole-time Director        | 4  | NA          | Nil  | 3      | Nil     | Nil  | Nil       |
| <b>(c) Non-executive Non-independent Director</b> |  |             |  |        |         |  |           |
| Mr. G.S. Talwar                                   | 4  | No          | 1  | 1      | 9       | Nil  | Nil       |
| <b>(d) Independent Directors</b>                  |  |             |  |        |         |  |           |
| Mr. K.N. Memani                                   | 8  | Yes         | 3  | 1      | 1       | 1  | 3         |
| Dr. D.V. Kapur                                    | 8  | Yes         | 1  | Nil    | 3       | 3  | 4         |
| Mr. Ved Kumar Jain                                | 8  | Yes         | 1  | 1      | Nil     | 1  | 4         |
| Mr. B. Bhushan                                    | 8  | No          | 1  | 3      | 2       | 1  | 4         |
| Mr. Pramod Bhasin                                 | 4  | No          | 2  | Nil    | 8       | Nil  | 2         |
| Mr. Rajiv Krishan Luthra                          | 6  | No          | 2  | 3      | 2       | 1  | 4         |
| Lt. Gen. Aditya Singh (Retd.)                     | 9  | Yes         | Nil  | 5      | Nil     | 2  | 5         |
| Mr. A.S. Minocha                                  | 8  | Yes         | 1  | 3      | Nil     | 3  | 4         |
| Mr. Vivek Mehra@                                  | 2  | NA          | 2  | 2      | 1       | Nil  | 2         |

\* Excludes foreign companies.

\*\* Pursuant to Regulation 26 of the Listing Regulations, Membership/ Chairmanship of only Audit Committee and Stakeholders Relationship Committee of public limited companies have been considered.

\*\*\* Membership also includes chairmanship of the Committee(s), if any.

# Appointed w.e.f. 1 December 2017.

@ Appointed w.e.f. 13 February 2018.

Video/ audio visual/ teleconferencing facilities were extended to facilitate Directors to participate in the meetings.

### Notes:

1. The Directorship/ Committee Membership is based on the disclosures received from Directors.
2. Dr. K.P. Singh, Mr. Rajiv Singh and Ms. Pia Singh are related inter-se. Mr. G.S. Talwar is related to Dr. K.P. Singh.

## Guidelines regarding appointment of Directors

The Board has formulated the Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of the Companies Act, 2013 and the Listing Regulations. The said policy outlined the appointment criteria and qualification, the terms/ tenure of Directors on the Board of the Company and matters related to remuneration of Directors.

## Directors Induction and Familiarisation Programme

The Board members are provided with necessary information, documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Presentations at regular interval are made by senior management covering area such as operations, business environment, budget, strategy and risks involved. Up-dates on relevant statutory, regulatory changes encompassing important laws/ regulations applicable to Company are circulated to Directors.

The induction process is designed to: (a) build an understanding of DLF, its business and regulatory environment in which it operates; (b) provide an appreciation of the role and responsibility of the Directors; (c) equip Directors to perform their role effectively; and (d) develop understanding of the Company's people and its key stakeholders relationship.

Upon appointment, Independent Directors receive a letter of appointment, setting out in details the terms of appointment, duties, responsibilities and expected time commitment.

The details of familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.dlf.in/images/downloads/familiarisation-programme-DLF.pdf>.

## Resume of Directors proposed to be appointed/ re-appointed

The brief resume of Directors proposed to be appointed/ re-appointed is appended in the notice for convening the Annual General Meeting.

## Committees of the Board

The Company has following Board Committees:

1. Audit Committee
2. Corporate Governance Committee
3. Corporate Social Responsibility Committee
4. Finance Committee
5. Nomination and Remuneration Committee

6. Risk Management Committee
7. Stakeholders Relationship Committee
8. Committee of Directors
9. Securities Issuance Committee

In addition, the Board also constitutes specific committee(s), from time to time, depending on the business needs. The terms of reference of the Committees are approved as well as reviewed and modified by the Board from time to time. Meetings of each Committee are convened by the Chairman of the respective Committee. The Company Secretary prepares the agenda and explanatory notes, in consultation with the respective Committee Chairman and circulates the same in advance to all the members. Every member can suggest inclusion of item(s) on the agenda in consultation with the Chairman. Minutes of the Committee meetings are approved by the Chairman of the respective Committee and thereafter the same are noted and confirmed by the Board.

The Company has an effective post meeting follow-up, review and reporting process concerning the decisions taken by the Committees. The significant decisions are promptly communicated by the Company Secretary to the concerned departments/ business units Head(s). Action taken report on decisions of the previous meeting(s) is placed at the immediate succeeding meeting for review by the respective Committee.

### (i) Audit Committee

#### Composition, Meetings and Attendance

The Audit Committee comprises six Independent Directors. All the members possess financial/ accounting expertise/ exposure and have held or hold senior positions in other reputed organizations. Upon cessation of Mr. K.N. Memani as a member of the Committee, the Board of Directors in its meeting held on 12 August 2017 has reconstituted the Audit Committee. Mr. Ved Kumar Jain was appointed as Chairman of the Committee. He was present at the last Annual General Meeting. During the year, the Committee was reconstituted on 7 March 2018 by inducting Mr. Vivek Mehra, an Independent Director.

The Committee's composition and terms of reference are in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

During the year 2017-18, twelve meetings of the Audit Committee were held on 16 & 26 May, 12 & 25 August, 10 & 24 November, 1 & 29 December 2017, 19 January, 13 February, 14 and 20 March 2018, the attendance of which is as under. The maximum interval between any two meetings was 78 days. The requisite quorum was present in all the meetings.



| Name of Member                                     | Position             | No. of Meeting(s)  |          |
|--|----------------------|--------------------|----------|
|  |                      | Held during tenure | Attended |
| Mr. Ved Kumar Jain<br>(Chairman w.e.f. 13.08.2017) | Independent Director | 12                 | 11       |
| Mr. K.N. Memani<br>(Chairman up to 12.08.2017)     | Independent Director | 3                  | 3        |
| Dr. D.V. Kapur                                     | Independent Director | 12                 | 11       |
| Mr. B. Bhushan                                     | Independent Director | 12                 | 12       |
| Mr. Pramod Bhasin                                  | Independent Director | 12                 | 5        |
| Mr. A.S. Minocha                                   | Independent Director | 12                 | 10       |
| Mr. Vivek Mehra<br>(w.e.f. 07.03.2018)             | Independent Director | 2                  | 2        |

The Audit Committee invites such executives as it considers appropriate particularly the Group Chief Financial Officer, Group Chief Internal Auditor and representatives of Statutory Auditors, Internal Auditors (for internal audit matters), Cost Auditors (for cost audit report) and Secretarial Auditor (for secretarial audit report) to be present at its meetings. The Company Secretary acts as Secretary to the Committee.

## Objectives

The Audit Committee monitors and provides re-assurance to the Board on the existence of an effective internal control environment by supervising the financial reporting process, timely and proper disclosures and transparency, integrity and quality of financial reporting.

## Terms of Reference

The broad terms of reference are as under:

- Oversight of financial reporting process and disclosure of its financial information to ensure the correctness, sufficiency and credibility of financial statements;
- Recommending to the Board the appointment/ re-appointment (including their terms)/ replacement/ removal of the statutory auditors and fixing of their fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - major accounting entries involving estimates based on the exercise of judgment by management.
  - significant adjustments made in the financial statements arising out of audit findings.
  - compliance with listing and other legal requirements relating to financial statements.
  - disclosure of any related party transactions.
  - qualifications in the draft audit report.
- Reviewing with the management, the quarterly/ half yearly financial statements before submission to the Board for approval;
- Reviewing and monitor the auditor's independence and the performance and effectiveness of audit process;
- Examination of the financial statements and auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties; Scrutiny of inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory, cost and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, including the structure of internal audit department, staffing and seniority of official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow-up thereon and reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or failure of internal control system of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review Management Discussion and Analysis of financial condition and results of operations;
- To review Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- To review Internal audit reports relating to internal control weaknesses;
- To review appointment/ removal and terms of remuneration of the Chief Internal Auditor;

19. Approval of appointment of CFO (i.e. Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc.;
20. Reviewing of the financial statements, in particular, the investments made by the unlisted subsidiary companies;
21. To review the functioning of the Whistle Blower Mechanism and Vigil Mechanism;
22. Reviewing of statement of significant related party transactions;
- 23 (a) Reviewing with the management, the statement of uses/ application of funds raised through an issue (public, rights, preferential, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter;
- (b) Monitoring the end use of funds raised through public offers and related matters; and
24. To perform such other functions as may be prescribed by the Companies Act, 2013, Listing Regulations or any other law or as may be delegated by the Board from time to time, to be performed by the Audit Committee.

## (ii) Corporate Governance Committee

### Composition, Meetings and Attendance

The Corporate Governance Committee comprises five Directors including four independent Directors. Dr. D.V. Kapur, an independent Director is heading the Committee. The Company Secretary acts as Secretary to the Committee.

During the year 2017-18, one meeting of Corporate Governance Committee was held on 8 August 2017. The requisite quorum was present in the meeting. The attendance of members was as follows:

| Name of Member              | Position               | No. of Meeting(s) |          |
|-----------------------------|------------------------|-------------------|----------|
|                             |                        | Held              | Attended |
| Dr. D.V. Kapur<br>Chairman  | Independent Director   | 1                 | 1        |
| Mr. K.N. Memani             | Independent Director   | 1                 | 1        |
| Mr. G.S. Talwar             | Non-executive Director | 1                 | Nil      |
| Mr. Rajiv Krishan<br>Luthra | Independent Director   | 1                 | 1        |
| Mr. A.S. Minocha            | Independent Director   | 1                 | 1        |

Mr. Mohit Gujral, Mr. Rajeev Talwar, CEO & Whole-time Directors, Mr. Ashok Kumar Tyagi and Mr. Devinder Singh, Whole-time Directors are the permanent invitees to the Committee.

## Terms of Reference

The broad terms of reference are as under:

1. Overseeing implementation of mandatory and non-mandatory requirements of Listing Regulations;
2. Recommending the best-in-class available Corporate Governance practices prevailing in the world for adoption;
3. Reviewing Corporate Governance practices, Audit Reports and to recommend improvements thereto;
4. Reviewing Code of Conduct for Directors, Senior Management Personnel and other executives including its subsidiaries;
5. Reviewing compliance mechanism, compliance and audit reports and to recommend improvements thereto and to review mitigation mechanism for non observance;
6. Suggesting to the Board, the changes required in the compliance system in consonance with the changes in legal environment affecting the business of the Company;
7. Recommending to the Board, the changes required for charging of officials pursuant to changes in the officials charged and/ or structural changes in the organization; and
8. Performing such other functions as may be delegated by the Board from time to time.

## (iii) Corporate Social Responsibility (CSR) Committee

### Composition, Meeting and Attendance

The Corporate Social Responsibility Committee comprises six Directors including two Independent Directors. Dr. K.P. Singh is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee. The Committee's composition and terms of reference are in compliance with provisions of Section 135 of the Companies Act, 2013.

During the year 2017-18, one meeting of Corporate Social Responsibility Committee was held on 9 February 2018. The requisite quorum was present in the meeting. The attendance of members was as follows:

| Name of Member             | Position                  | No. of Meeting(s) |          |
|----------------------------|---------------------------|-------------------|----------|
|                            |                           | Held              | Attended |
| Dr. K.P. Singh<br>Chairman | Whole-time Director       | 1                 | 1        |
| Mr. Mohit Gujral           | CEO & Whole-time Director | 1                 | Nil      |
| Mr. Rajeev Talwar          | CEO & Whole-time Director | 1                 | 1        |
| Ms. Pia Singh              | Non-executive Director    | 1                 | 1        |
| Mr. Ved Kumar Jain         | Independent Director      | 1                 | 1        |
| Mr. Pramod Bhasin          | Independent Director      | 1                 | Nil      |

Mr. Rajiv Singh, Vice Chairman and Mr. Ashok Kumar Tyagi, Whole-time Director are the permanent invitees to the Committee.

## Terms of Reference

The terms of reference of the Committee are:

1. Formulate, monitor and recommend, Corporate Social Responsibility (CSR) Policy to the Board;
2. Recommend to the Board modification to the CSR Policy as and when necessary;
3. Recommend to the Board, the amount of expenditure to be incurred on the activities to be undertaken; and
4. Consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation including Listing Regulations and the Companies Act, 2013.

The project undertaken by the Company during the financial year 2017-18 pursuant to the CSR Policy has been outlined as per the annexure attached to the Board's Report.

### (iv) Finance Committee

#### Composition, Meetings and Attendance

The Finance Committee comprises seven Directors including three Independent Directors. Mr. Rajiv Singh is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee. The Committee was reconstituted by inducting Mr. Ashok Kumar Tyagi and Mr. Devinder Singh, Whole-time Directors.

During the year 2017-18, two meetings of Finance Committee were held on 15 June and 30 November 2017 and the attendance thereof was as under. The requisite quorum was present in all the meetings.

| Name of Member  | Position                      | No. of Meeting(s)  |           |
|---|-------------------------------|--------------------|-----------|
|   |                               | Held during tenure | Attended* |
| Mr. Rajiv Singh<br>Chairman                               | Whole-time<br>Director        | 2                  | 1         |
| Mr. Mohit Gujral  | CEO & Whole-<br>time Director | 2                  | 2         |
| Mr. Ashok Kumar Tyagi<br>(w.e.f. 07.03.2018) <sup>^</sup> | Whole-time<br>Director        | Nil                | Nil       |
| Mr. Devinder Singh<br>(w.e.f. 07.03.2018)                 | Whole-time<br>Director        | Nil                | Nil       |
| Mr. Ved Kumar Jain  | Independent<br>Director       | 2                  | 2         |
| Mr. B. Bhushan  | Independent<br>Director       | 2                  | 2         |
| Mr. A.S. Minocha  | Independent<br>Director       | 2                  | Nil       |

\* Includes meeting attended through video conferencing.

<sup>^</sup> Mr. Tyagi attended two meetings as Group Chief Financial officer.

The Group Chief Financial Officer is the permanent invitee to the Committee.

## Terms of Reference

The broad terms of reference are as under:

1. Reviewing Company's financial policies, strategies and capital structure, working capital, cash flow management, banking and cash management including authorization for operations;
2. Reviewing credit facilities and to exercise all powers to borrow monies (otherwise than by issue of debentures) and take necessary actions connected therewith including refinancing for optimization of borrowing costs and assignment of assets, both immovable or movable;
3. Authorizing exercise of all powers for investment, loan and providing corporate guarantees/ securities/ letter of comfort etc. within the limits specified by the Board;
4. Borrowing of monies by way of loan and/ or issuing and allotting Bonds/ Notes denominated in one or more foreign currency(ies) in international markets and possible strategic investments within the limits approved by the Board;
5. Approve opening and operation of Investment Management accounts with foreign Banks and appoint them as agents, establishment of representative/ sales offices in or outside India etc.;
6. Approve contributions to statutory or other entities, Funds established by Central/ State Government for national importance, institutions, trusts, bodies corporate and other entities etc.;
7. Empowering executives of the Company/ subsidiaries/ associate companies for acquisition of land including bidding and tenders, sell/ dispose off or transfer any of the properties and delegation of authorities from time to time to deal with various statutory, judicial authorities, local bodies etc., to implement the decision of the Committee; and
8. Reviewing and make recommendations about changes to the Charter of the Committee.

### (v) Nomination and Remuneration Committee

#### Composition, Meetings and Attendance

The Nomination and Remuneration Committee comprises four Independent Directors. The Company Secretary acts as Secretary to the Committee. The Committee's composition and terms of reference are in compliance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Committee was reconstituted by inducting Mr. A.S. Minocha, an Independent Director.

During the year 2017-18, seven meetings of the Nomination and Remuneration Committee were held on 26 May, 25 August, 12 September, 2 November, 1 & 29 December 2017 and 27 February 2018. The requisite quorum was

present in all the meetings. The attendance of members was as follows:

| Name of Member                       | Position             | No. of Meeting(s)  |          |
|--------------------------------------|----------------------|--------------------|----------|
|                                      |                      | Held during tenure | Attended |
| Mr. B. Bhushan Chairman              | Independent Director | 7                  | 7        |
| Mr. Ved Kumar Jain                   | Independent Director | 7                  | 6        |
| Lt. Gen. Aditya Singh (Retd.)        | Independent Director | 7                  | 7        |
| Mr. A.S. Minocha (w.e.f. 07.03.2018) | Independent Director | Nil                | Nil      |

### Terms of Reference

Nomination and Remuneration Committee is governed by a Charter which is in line with the requirements mandated by the Companies Act, 2013 and Regulation 19(4) of the Listing Regulations.

The broad terms of reference are as under:

- To determine Remuneration Policy of the Company;
- 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;
- 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;
- To frame policies and compensation including salaries, incentives, bonuses, promotion, benefits, stock options and performance targets for executives of the Company;
- 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:

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 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.

- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- 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.

### Nomination and Remuneration Policy

The Nomination and Remuneration Policy was devised in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations. The Nomination and Remuneration Policy of the Company is aimed at inculcating a performance driven culture. Through its comprehensive compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The said policy is available on the Company's website <http://www.dlf.in/images/downloads/Nomination-and-Remuneration-Policy.pdf>.

### Board Membership Criteria

The Board is responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board inter-alia include:

- Diversity on the Board;
- Relevant experience and track record in finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to Company's business and relevant to the role;
- Highest personal and professional ethics, integrity, values and stature;
- Devote sufficient time and energy in carrying out their duties and responsibilities; and
- Avoidance of any present or potential conflict of interest.

### Remuneration Policy

The guiding principles for the Company's remuneration policies are inter-alia as follows:

- The level and composition of remuneration is competitive, reasonable and aligned to market practices and trends to attract, retain and motivate talent required to run the Company successfully and ensure long-term sustainability of the Company;
- The remuneration has a fair balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

- The remuneration is linked to key deliverables, appropriate performance benchmarks and metrics and varies with performance and achievements;
- Alignment of performance metrics with business plans and strategy, corporate performance targets and interest with stakeholders;
- Quantitative and qualitative assessments of performance are used to making informed judgments to evaluate performances;
- Sufficiently flexible to take into account future changes in industry and compensation practice; and
- The pay takes into account both external market and Company conditions to a balanced 'fair' outcome.

Details of remuneration paid to all the Directors and other disclosures required to be made under Regulation 34(3) of the Listing Regulations have been published elsewhere in this report and in the Board Report.

## (vi) Risk Management Committee

### Composition, Meetings and Attendance

The Risk Management Committee comprises seven Directors including four Independent Directors. Dr. D.V. Kapur, an Independent Director is the Chairman. The Company Secretary acts as Secretary to the Committee. The Committee's composition is in compliance with provisions of Regulation 21 of the Listing Regulations. The Committee was reconstituted during the year by inducting Mr. Rajeev Talwar and Mr. Devinder Singh as members.

During the year 2017-18, one meeting of Risk Management Committee was held on 8 August 2017. The requisite quorum was present in the meeting. The attendance of members was as follows:

| Name of Member                            | Position                  | No. of Meeting(s)  |          |
|---|---------------------------|--------------------|----------|
|   |                           | Held during tenure | Attended |
| Dr. D.V. Kapur<br>Chairman                | Independent Director      | 1                  | 1        |
| Mr. K.N. Memani                           | Independent Director      | 1                  | 1        |
| Mr. Mohit Gujral                          | CEO & Whole-time Director | 1                  | 1        |
| Mr. Rajeev Talwar<br>(w.e.f. 25.08.2017)  | CEO & Whole-time Director | Nil                | Nil      |
| Mr. Devinder Singh<br>(w.e.f. 07.03.2018) | Whole-time Director       | Nil                | Nil      |
| Mr. Ved Kumar Jain                        | Independent Director      | 1                  | 1        |
| Mr. A.S. Minocha                          | Independent Director      | 1                  | 1        |

All Business Unit Heads along with Group Chief Financial Officer and Mr. Ashok Kumar Tyagi, Whole-time Director are the permanent invitees to the Committee.

## Terms of Reference

The terms of reference of the Committee are as under:

1. To frame, implement, review and monitor risk management plan of the Company;
2. To evaluate the risk management systems of the Company;
3. To review its activities in co-ordination with the Audit Committee in instances where there is overlap with the activities of the Audit Committee;
4. To review the procedures to inform the Board members about the risk assessment and minimization procedures;
5. To review and reassess the changes required in the terms of reference of this Committee and recommend any proposed changes to the Board for approval; and
6. To perform such other functions as may be delegated by the Board from time to time.

## (vii) Stakeholders Relationship Committee

### Composition, Meetings and Attendance

The Stakeholders Relationship Committee comprises four Directors including three Independent Directors. Dr. D. V. Kapur, an Independent Director is the Chairman. The Company Secretary acts as Secretary to the Committee. The Committee's composition and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

During the year 2017-18, four meetings of the Committee were held on 23 May, 8 August, 10 November 2017 and 13 February 2018. The requisite quorum was present in all the meetings. The attendance of members was as follows:

| Name of Member             | Position                  | No. of Meeting(s) |          |
|----------------------------|---------------------------|-------------------|----------|
|                            |                           | Held              | Attended |
| Dr. D.V. Kapur<br>Chairman | Independent Director      | 4                 | 4        |
| Mr. Rajeev Talwar          | CEO & Whole-time Director | 4                 | 2        |
| Mr. Ved Kumar Jain         | Independent Director      | 4                 | 4        |
| Mr. Rajiv Krishan Luthra   | Independent Director      | 4                 | 2        |

## Terms of Reference

The Committee inter-alia, oversees and reviews all matters connected with transfer of shares, approve issue of duplicate and split of share certificates, redressal of shareholders'/ investors' complaints/ grievances including transfer of shares, non-receipt of annual report and dividend etc. The Committee also reviews performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services. With a view to expedite the process of share transfer/ transmission etc., on fast track basis, the Board has empowered the Company Secretary for approving share transfer, transmission etc.

## Redressal of Investor Grievances

The Company addresses all complaints, grievances and other correspondence expeditiously and replies are sent usually within 7-10 days except in case of legal impediments and non-availability of documents. The Company endeavours to implement suggestions as and when received from the investors. During the year under review, a total of 12 investors' complaints were received and resolved.

## Compliance Officer

Mr. Subhash Setia, Company Secretary is the Compliance Officer for complying with requirement of Securities laws.

## (viii) Committee of Directors

### Composition, Meetings and Attendance

The Committee was constituted for making allotment of equity shares to the employees upon exercising the options granted under the Company's Employee Stock Option Scheme, 2006. The Committee consists of four Directors including two Independent Directors. Mr. B. Bhushan, an Independent Director is the Chairman. The Company Secretary acts as Secretary to the Committee. During the year, the Committee was reconstituted by inducting Mr. Ashok Kumar Tyagi as member and Ms. Pia Singh ceased to be the member.

During the year 2017-18, four meetings of the Committee were held on 23 May, 13 July, 12 September and 5 December 2017. The requisite quorum was present in all the meetings. The attendance of members was as follows:

| Name of Member                               | Position                  | No. of Meetings    |          |
|--|---------------------------|--------------------|----------|
|  |                           | Held during tenure | Attended |
| Mr. B. Bhushan<br>Chairman                   | Independent Director      | 4                  | 4        |
| Mr. Rajeev Talwar                            | CEO & Whole-time Director | 4                  | 4        |
| Mr. Ashok Kumar Tyagi<br>(w.e.f. 07.03.2018) | Whole-time Director       | Nil                | Nil      |
| Ms. Pia Singh<br>(up to 06.03.2018)          | Non-executive Director    | 4                  | 3        |
| Lt. Gen. Aditya Singh<br>(Retd.)             | Independent Director      | 4                  | 4        |

## (ix) Securities Issuance Committee

The Board of Directors in its meeting held on 1 December 2017 had constituted a Securities Issuance Committee inter-alia to undertake all necessary steps and actions for offering, issue and allotment of 17.30 crores Equity Shares of ₹ 2 each in accordance with the provisions of Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The Committee consists of five Directors including three

Independent Directors. The Company Secretary shall act as Secretary to the Committee. During the year, no meeting of the Committee was convened.

## Independent Directors Meetings

The Independent Directors of the Company met on 16 May 2017 and 14 March 2018 without the presence of Executive Directors under the Chairmanship of Mr. K.N. Memani, Lead Independent Director, inter-alia for:

- Reviewing the performance of Non-independent Directors and the Board as a whole;
- Reviewing the performance of the Chairman of the Company taking into account the views of Executive and Non-executive Directors;
- Assessing the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, Regulation 17 & 25 of the Listing Regulations and Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India vide its circular dated 5 January 2017, the Nomination and Remuneration Committee has devised criteria for evaluation of the performance of Directors including Independent Directors.

The Board has carried out the annual performance evaluation of its own performance, its Committees and Directors. The exercise was led by Lead Independent Director. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, corporate governance & 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.

## Directors' Remuneration

### i) Executive Directors

The Company pays remuneration by way of fixed base salary and allowances [fixed component], annual performance award, commission, employee stock/ shadow options, retiral and other benefits and reimbursements, based on the recommendations of the Nomination and Remuneration Committee within the limits as prescribed under the Companies Act, 2013 and approved by the shareholders. The performance based award/ commission is based on qualitative and quantitative assessment of the Company's performance.

The remuneration paid to the Executive Directors for the year 2017-18 was as follows:

(₹ in lakhs)

| Name   | Salary | Other Perquisites & benefits | Commission | Contribution to Provident & Superannuation Fund/ allowances | Total    | Stock/ Shadow Options granted* | Term up to |
|--|--------|------------------------------|------------|---|----------|--------------------------------|------------|
| Dr. K.P. Singh                                 | 163.20 | 528.23                       | 350.00     | 11.52   | 1,052.95 | Nil                            | 30.09.2018 |
| Mr. Rajiv Singh                                | 153.00 | 16.87                        | 350.00     | 24.30   | 544.17   | Nil                            | 08.04.2019 |
| Mr. Mohit Gujral                               | 754.80 | 1,918.32^                    | --         | 53.28   | 2,726.40 | Nil                            | 13.02.2019 |
| Mr. Rajeev Talwar                              | 144.23 | 142.25                       | 325.00     | 12.81   | 624.29   | Nil                            | 13.02.2019 |
| Mr. Ashok Kumar Tyagi (w.e.f. 1 December 2017) | 51.27  | 41.86                        | 105.00     | 3.62  | 201.75   | Nil                            | 30.11.2022 |
| Mr. Devinder Singh (w.e.f. 1 December 2017)    | 47.89  | 50.58                        | 110.00     | 3.38  | 211.85   | Nil                            | 30.11.2022 |

The service contract, notice period, severance pay etc. are applicable as per the terms and conditions of appointment of the above Directors.

**\*Note:**

- Out of 3,80,952 stock options granted to Mr. Rajeev Talwar, CEO & Whole-time Director (options granted as an employee), 3,00,081 options have been exercised.
- Out of 2,90,733 stock options granted to Mr. Ashok Kumar Tyagi, Whole-time Director (options granted as an employee), 1,16,292 options have been exercised.

^Mr. Mohit Gujral, CEO & Whole-time Director was entitled for benefits equivalent to 6,37,000 equity shares, as per the policy of the Company. During the year, the Company has paid an amount of ₹ 12.50 crores, which is included in other perquisites & benefits.

**ii) Non-executive Directors**

The Non-executive Directors are entitled to a sitting fee of ₹ 50,000 for attending each Board and Committee meeting. In addition, the Non-executive Directors are paid commission within the limits as prescribed under the Companies Act, 2013, as determined by the Board based, inter-alia, on the Company's performance.

The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings. The service contract, notice period, severance fee etc. are not applicable to the Non-executive Directors.

The remuneration paid to the Non-executive Directors for the year 2017-18 was as follows:

(₹ in lakhs)

| Name                                | Sitting Fees | Commission | Total |
|-------------------------------------|--------------|------------|-------|
| Mr. G.S. Talwar                     | 2.00         | 34.00      | 36.00 |
| Ms. Pia Singh                       | 3.50         | 34.00      | 37.50 |
| Mr. K.N. Memani                     | 7.50         | 34.00      | 41.50 |
| Dr. D.V. Kapur                      | 13.50        | 34.00      | 47.50 |
| Mr. B. Bhushan                      | 15.50        | 34.00      | 49.50 |
| Mr. Pramod Bhasin                   | 4.50         | 34.00      | 38.50 |
| Mr. Rajiv Krishan Luthra            | 5.00         | 34.00      | 39.00 |
| Mr. Ved Kumar Jain                  | 17.50        | 34.00      | 51.50 |
| Lt. Gen. Aditya Singh (Retd.)       | 9.00         | 34.00      | 43.00 |
| Mr. A.S. Minocha                    | 11.00        | 34.00      | 45.00 |
| Mr. Vivek Mehra (w.e.f. 13.02.2018) | 2.50         | 4.50*      | 7.00  |

\*pro-rata

During the year, the Company has availed services amounting to ₹ 44.83 lakhs (approx.) from the firm in which a relative of Mr. K.N. Memani is a partner and ₹ 42.67 lakhs (approx.) from the firm(s) in which Mr. Rajiv Krishan Luthra is a partner. There were no other material pecuniary relationships or transactions between the Company and its Non-executive Directors.

No stock options were granted to any Non-executive Directors.

The Company has in place Directors' & Officers' Liability Insurance Policy.

**Directors' Shareholding**

The details of equity shares of the Company held by Directors as on 31 March 2018 were as under:

| Name of Director      | No. of Equity Shares |
|-----------------------|----------------------|
| Dr. K.P. Singh        | 1,04,61,000          |
| Mr. Rajiv Singh       | 1,64,56,320          |
| Ms. Pia Singh         | 2,13,32,500          |
| Mr. Rajeev Talwar     | 3,51,201             |
| Mr. Ashok Kumar Tyagi | 87,219               |
| Mr. Devinder Singh    | 95,793               |
| Mr. G.S. Talwar       | 1,00,540             |
| Dr. D.V. Kapur        | 10,000               |
| Mr. Vivek Mehra       | 2,225                |

## General body meetings

### Particulars of past three Annual General Meetings (AGMs)/ Extra-ordinary General Meeting (EGM)

| Year                                  | Location   | Date & Time              | Special Resolutions passed   |
|---------------------------------------|--|--------------------------|--|
| <b>Annual General Meeting</b>         |  |                          |  |
| 2014-15                               | DLF Club 5,<br>Opposite Trinity Tower, Club Drive, DLF 5, Gurugram -122002 (Haryana)   | 28.08.2015<br>10.30 A.M. | (i) Approval to create charge, lien, pledge, etc. on shares held by the Company in material subsidiary(ies) in terms of Clause 49(V)(F) of the Listing Agreement.<br><br>(ii) Approval to lease and/ or create charge, lien, mortgage, hypothecation etc. exceeding 20% of the assets of the material subsidiary(ies) in terms of Clause 49(V)(G) of the Listing Agreement.<br><br>(iii) Approval of Related Party Transactions. |
| 2015-16                               | DLF Club 5,<br>Opposite Trinity Tower, Club Drive, DLF 5, Gurugram - 122 002 (Haryana) | 30.08.2016<br>4.00 P.M.  | Approval to offer or invite subscriptions for Non-convertible Debentures including other debt securities in one or more tranches up to an aggregate amount of ₹ 2,500 crores, on private placement basis.  |
| 2016-17                               | DLF Club 5,<br>Opposite Trinity Tower, Club Drive, DLF 5, Gurugram - 122 002 (Haryana) | 29.09.2017<br>12.00 Noon | Approval to offer or invite subscriptions for Non-convertible Debentures including other debt securities in one or more tranches up to an aggregate amount of ₹ 2,500 crores, on private placement basis.  |
| <b>Extra-ordinary General Meeting</b> |  |                          |  |
| 2016-17                               | DLF Club 5,<br>Opposite Trinity Tower, Club Drive, DLF 5, Gurugram - 122 002 (Haryana) | 27.12.2017<br>11.00 A.M. | (i) Approval for issue of compulsorily convertible debentures and warrants on preferential basis to promoter/ promoter group.<br><br>(ii) Approval for further issue of equity shares by way of public issue or private placement or a qualified institutions placement, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.                         |

### Postal Ballots

No resolution requiring postal ballot was passed during the year 2017-18.

No special resolution requiring postal ballot is being proposed to be conducted through postal ballot.

### Disclosures

#### a) Material Related Party Transactions

None of the materially significant transactions with any of the related parties was in conflict with the interest of the Company. The major related party transactions are generally with the Company's subsidiaries and associates.

Attention of the members is drawn to the disclosure of transactions with related parties set-out in Note 47 of the Standalone financial statement forming part of the Annual Report.

None of the transactions with any related parties were in conflict with the Company's interest.

The Company's Policy for related party transactions which is available on the Company's website <http://www.dlf.in/images/downloads/RPT-Policy.pdf>.

#### b) Dividend Distribution Policy

The Board has approved Dividend Distribution Policy in compliance to Regulation 43A of the Listing Regulations and the same is available at [http://www.dlf.in/images/downloads/170601162837\\_0001.pdf](http://www.dlf.in/images/downloads/170601162837_0001.pdf).

#### c) Strictures and Penalties

A.(i) The Securities and Exchange Board of India ('SEBI') had issued a Show Cause Notice (SCN) dated 25 June 2013 under Sections 11(1), 11(4), 11A and 11B of the SEBI Act, 1992 ('the SEBI Act') read with Clause 17.1 of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 ('DIP Guidelines') and Regulation 111 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('ICDR Regulations') and levelled certain allegations in the same.

The Company filed its reply, placed written submissions and participated in the hearings conducted by the Hon'ble Whole Time Member in which it replied to each allegation levelled in the said Show Cause Notice (SCN).

The Hon'ble Whole Time Member however rejected the reply filed by the Company and



vide its order dated 10 October 2014 restrained the Company and six others from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities, directly or indirectly, in any manner, whatsoever, for a period of three years.

The Company filed an appeal before Securities Appellate Tribunal ('SAT'), which vide majority order dated 13 March 2015 allowed all the appeals and the impugned order passed by SEBI has been quashed and set aside.

SEBI has filed a statutory appeal under Section 15Z of the SEBI Act before the Hon'ble Supreme Court of India.

On 24 April 2015, the Hon'ble Supreme Court of India admitted the appeal filed by SEBI and issued notice on interim application. No stay has been granted by the Hon'ble Supreme Court of India in favour of SEBI.

SEBI has filed an application stating that proposed sale of Compulsorily Convertible Preference Shares ('CCPS') in DLF Cyber City Developers Limited, one of the unlisted subsidiary of the Company, by the promoters, to third party Institutional Investors should not be allowed during the pendency of the appeal has sought stay from the Hon'ble Supreme Court of India on the proposed transaction. The Hon'ble Supreme Court of India did not pass any order and has kept the application to be heard along with the Appeal.

- (ii) SEBI also issued a SCN dated 28 August 2013 under Section 15HA and 15HB of the SEBI Act and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 ('Adjudication Rules'), hearing on which has been completed and the Company has filed its written synopsis/ submissions.

By way of order dated 26 February 2015, the Adjudicating Officer, SEBI imposed penalties upon Company, some of its Directors, officer, its three subsidiaries and their Directors under Section 15HA and under Section 15HB of the SEBI Act.

The Company, its Directors, officer, its three subsidiaries and their Directors have filed appeals before SAT against the impugned order dated 26 February 2015 passed by an Adjudicating Officer of SEBI. The Appeal is listed before SAT and in the order dated 15 April 2015, SEBI has undertaken not to enforce the order dated 26 February 2015 during pendency of the appeal. The SAT vide its order passed on 25 April 2018 held that in view of SAT's majority decision dated 13 March 2015, the Adjudicating

Officer's decision dated 26 February 2015 cannot be sustained.

Accordingly, the Hon'ble SAT disposed of the appeals, along with Intervention Application with a direction that these appeals, shall stand automatically revived once the Hon'ble Supreme Court disposes of the Civil Appeals filed by SEBI against the SAT's judgment dated 13 March 2015.

- (iii) The Adjudicating Officer, SEBI has passed an order dated 31 May 2018 imposing a penalty of ₹ 10 lakhs under Section 23H of Securities Contracts (Regulation) Act, 1956 on a disclosure issue pertaining to utilization of IPO proceeds made by the Company in its quarterly filing for 30 September 2007.

The Company under protest and without prejudice to its legal rights to assail the SEBI Order, has deposited the Penalty Amount with SEBI.

- B. The Competition Commission of India (CCI) on a complaint filed by the Belaire/ Park Place owners Association had passed orders dated 12 and 29 August 2011 imposing a penalty of ₹ 630 crores on the Company, restraining the Company from formulating and imposing allegedly unfair conditions with buyers in Gurugram and further ordered to suitably modify the alleged unfair conditions on its buyers.

The said orders of CCI were challenged by the Company on several grounds by filing appeals before the Competition Appellate Tribunal (COMPAT). The COMPAT pending hearing and till final orders had granted stay on demand of penalty of ₹ 630 crores imposed by CCI.

COMPAT vide its order dated 19 May 2014 accepted the arguments of the Company that since the agreements were entered into prior to coming into force Section 4 of the Competition Act, 2002 ('the Competition Act'), the clauses of the agreements entered in 2006-07 could not be looked into for establishing contravention of Section 4 of the Competition Act, however COMPAT held that the Company is a dominant player in Gurugram being the relevant market and has abused its dominant position in relation to certain actions which is violative of Section 4 of the Competition Act and has accordingly upheld the penalty imposed by CCI.

COMPAT further held that CCI could not have directed modifications of the agreement as the power to modify the agreement under Section 27 is only in relation to Section 3 and cannot be applied for any action in contravention of Section 4 of the Competition Act.

The Company has filed an appeal in the Hon'ble Supreme Court of India against the order dated 19 May 2014 passed by the COMPAT. The Hon'ble Supreme Court of India vide order dated 27 August 2014 admitted the appeal and directed the Company to deposit penalty of ₹ 630 crores in the Court.

In compliance of the order, the Company has deposited ₹ 630 crores with the Hon'ble Supreme Court of India.

The appeals will be listed in due course for arguments before the Hon'ble Supreme Court of India.

**d) Compliances**

All Returns/ Reports were generally filed within the stipulated time with the Stock Exchanges/ other authorities.

**e) Code of Conduct**

The Code of Conduct (Code) is applicable to all Directors and employees of the Company including its subsidiaries. The Company has in place Code including duties of Independent Directors. The Code is comprehensive and ensures good governance and provides for ethical standards of conduct on matters including conflict of interest, acceptance of positions of responsibility, treatment of business opportunities and the like. A copy of the Code is posted on the Company's website <http://www.dlf.in/code-of-conduct.aspx>.

All the Board Members and Senior Management Personnel have affirmed compliance to the Code for the year ended 31 March 2018.

A declaration, in terms of Regulation 26 of the Listing Regulations, signed by the CEOs & Whole-time Director(s) is stated hereunder:

We hereby confirm that-

The compliance to DLF's Code of Conduct for the Financial Year 2017-18 has been affirmed by all the Members of the Board and Senior Management Personnel of the Company.

|  |   |
|--|---|
| <p><b>Sd/-</b><br/><b>Rajeev Talwar</b><br/><i>CEO &amp; Whole-time Director</i></p> | <p><b>Sd/-</b><br/><b>Mohit Gujral</b><br/><i>CEO &amp; Whole-time Director</i></p> |
| <p>DIN: 01440785</p>   | <p>DIN: 00051538</p>  |

New Delhi  
10 August 2018

**f) Whistle Blower Policy/ Vigil Mechanism**

Pursuant to Section 177 of the Companies Act, 2013 read with Regulation 22 of the Listing Regulations, the Company has in place a whistle blower policy for establishing a vigil mechanism for Directors and employees to report instances of unethical

and/ or improper conduct and to take suitable steps to investigate and correct the same. Directors, employees, vendors, customers or any person having dealings with the Company/ subsidiary(ies) may report non-compliance of the Code to the noticed persons.

The Directors and management personnel maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee during the year.

**g) Code of Conduct to Regulate, Monitor and Report Trading by Insiders**

With a view to prevent trading of securities of the Company by an insider on the basis of unpublished price sensitive information, the Company has in place 'DLF code of conduct to regulate, monitor and report trading by insiders' (the "Code") in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code aims to regulate, monitor and report trading of securities by Insiders, adherence to SEBI applicable guidelines in letter and spirit and preserving the confidentiality and preventing the misuse of any unpublished price sensitive information.

**h) Corporate Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace**

The Company prohibits any form of sexual harassment and any such incidence is immediately investigated and appropriate action taken in the matter against the offending employee(s) based on the nature and the seriousness of the offence. The Company has in place, a formal corporate policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace (the 'Policy') and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013". Detailed mechanism has been laid down in the policy for reporting of cases of sexual harassment to 'Internal Complaints Committee' comprising senior officials of the Company and an independent member from NGO, constituted under this policy for conducting of inquiry into such complaints, recommending suitable action during the pendency and/ or completion of the inquiry including strict disciplinary action including termination of the services.

**Subsidiary Monitoring Framework**

All subsidiaries of the Company are managed by their respective Boards having rights and obligations to manage such companies in the best interest of their stakeholders. As a majority shareholder, the Company monitors and

reviews the performance of each company, inter-alia, by the following means:

- a) Financial Statements, in particular, the investments made by the unlisted subsidiary companies, are reviewed regularly by the Audit Committee;
- b) Minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board, regularly; and
- c) Statements containing significant transactions and arrangements entered into by the unlisted subsidiary companies are regularly placed before the Board of Directors for their review.

The policy on Material Subsidiaries has been disclosed on the Company's website <http://www.dlf.in/images/downloads/Material-Subsidiary-Policy.pdf> in compliance to Regulation 16(1)(c) and 46 (2)(h) of the Listing Regulations.

### Means of Communication

The quarterly and annual financial results and media releases on significant developments in the Company including presentations that have been made from time to time to the media, institutional investors & analysts are posted on the Company's website [www.dlf.in](http://www.dlf.in) and are submitted to the stock exchanges on which the Company's equity shares are listed, to enable them to put them on their respective websites.

All stock exchange disclosures and periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor grievance settlement among others are filed electronically on NSE Electronic Application Processing System (NEAPS) & BSE Listing Centre.

The financial results are generally published in at least two widely circulated dailies i.e. Mint in English and Hindustan in Hindi.

**Annual Report:** In accordance with the provisions of the Companies (Management and Administration) Rules, 2014, the Company will provide Annual Report containing inter-alia, Audited consolidated and standalone financial statements, Auditors' Report, Board Report including Management Discussion & Analysis Report, Business Responsibility Report, Corporate Governance Report including information for the Shareholders, other important information and Notice of the ensuing Annual General Meeting along with proxy forms electronically, who have opted for the same.

Annual Report is also available on the Company's website [www.dlf.in](http://www.dlf.in).

Printed copy of the Chairman's Speech is distributed at the Annual General Meeting. The same is also placed on the Company's website [www.dlf.in](http://www.dlf.in).

**Reminders to Investors:** Reminders for unclaimed shares, unpaid dividend were sent to the shareholders, as per the Company's records.

### Web-based Grievance Redressal System

Members can access to <http://karisma.karvy.com> for any query and/ or grievance and may also access SEBI Complaints Redressal System (SCORES) for online viewing the status and actions taken by the Company/ Registrar and Share Transfer Agent (RTA).

### Exclusive Designated e-mail id

The Company has designated a dedicated e-mail id i.e. [investor-relations@dlf.in](mailto:investor-relations@dlf.in) exclusively for investors' servicing for faster registration of their queries and/ or grievances. All investors are requested to avail this facility.

### General Shareholders' Information

The Company's registered office is situated in the State of Haryana. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L70101HR1963PLC002484.

#### a) Annual General Meeting

Date: Monday, 24 September 2018

Time: 2.30 P.M.

Venue: DLF Club 5, Opposite Trinity Tower, Club Drive, DLF 5, Gurugram - 122 002 (Haryana)

#### b) Financial Calendar (tentative)

**Financial Year 1 April 2018 to 31 March 2019**

Adoption of Quarterly Results for the quarter ending:

|                   |   |
|-------------------|---|
| 30 June 2018      | 1 <sup>st</sup> / 2 <sup>nd</sup> week of August 2018   |
| 30 September 2018 | 1 <sup>st</sup> / 2 <sup>nd</sup> week of November 2018 |
| 31 December 2018  | 1 <sup>st</sup> / 2 <sup>nd</sup> week of February 2019 |
| 31 March 2019     | 3 <sup>rd</sup> / 4 <sup>th</sup> week of May 2019      |

#### c) Book Closure

From Monday, 17 September 2018 to Monday, 24 September 2018 (both days inclusive) for payment of dividend.

#### d) Interim Dividend

Interim Dividend @ ₹ 1.20 per share (60%) has been paid to those shareholders who were holding shares on 28 March 2018, the record date.

#### e) Final Dividend Payment Date

On or before Wednesday, 24 October 2018.

## f) Listing on stock exchanges

### (i) Equity Shares

The equity shares of the Company of the face value of ₹ 2 each (fully paid) are listed on the following Stock Exchanges:

- a) BSE Limited (BSE)  
P.J. Tower, Dalal Street  
Mumbai - 400 001; and
- b) National Stock Exchange of India Limited (NSE)  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051.

### Stock Code

Bombay Stock Exchange (BSE): 532868

National Stock Exchange (NSE): DLF

The Company has paid the listing fees to BSE & NSE for financial year 2018-19. The Company has also paid annual custody fee for financial year 2018-19 to National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL).

The International Securities Identification Number (ISIN) allotted to Company's shares under the Depository System is INE271C01023.

The International Securities Identification Number (ISIN) allotted to Warrants issued by the Company is INE271C13010.

### Outstanding Stock Options

No. of Stock Options outstanding as on 31 March 2018 - 407,817.

63,938 stock options were allotted during the year 2017-18 representing 63,938 equity shares of ₹ 2 each, thus increasing the paid-up share capital by ₹ 1.28 lakhs.

### (ii) Debt Instruments

Non-convertible Debentures issued by the Company on private placement basis bearing ISIN INE271C07095\*, INE271C07111\*, INE271C07152\*, INE271C07129, INE271C07160, INE271C07137 & INE271C07178 are listed at National Stock Exchange and Bombay Stock Exchange at its Wholesale Debt Market (WDM) segment, respectively.

\* Since redeemed subsequent to the end of FY' 18.

The Company has issued Compulsorily Convertible Unsecured Debentures on preferential basis bearing ISIN INE271C08010.

### Debenture Trustee

Vistra ITCL (India) Limited  
The IL&FS Financial Centre  
Plot no. C-22, G Block, 7<sup>th</sup> Floor  
Bandra Kurla Complex, Bandra(E)  
Mumbai - 400 051

**Contact Person:** Mr. Jatin Chonani  
(Assistant Vice President/ Compliance & Risk)

**Ph:** +91 22 26593219

**Fax:** +91 22 26533297

**Email id:** itclcomplianceofficer@vistra.com

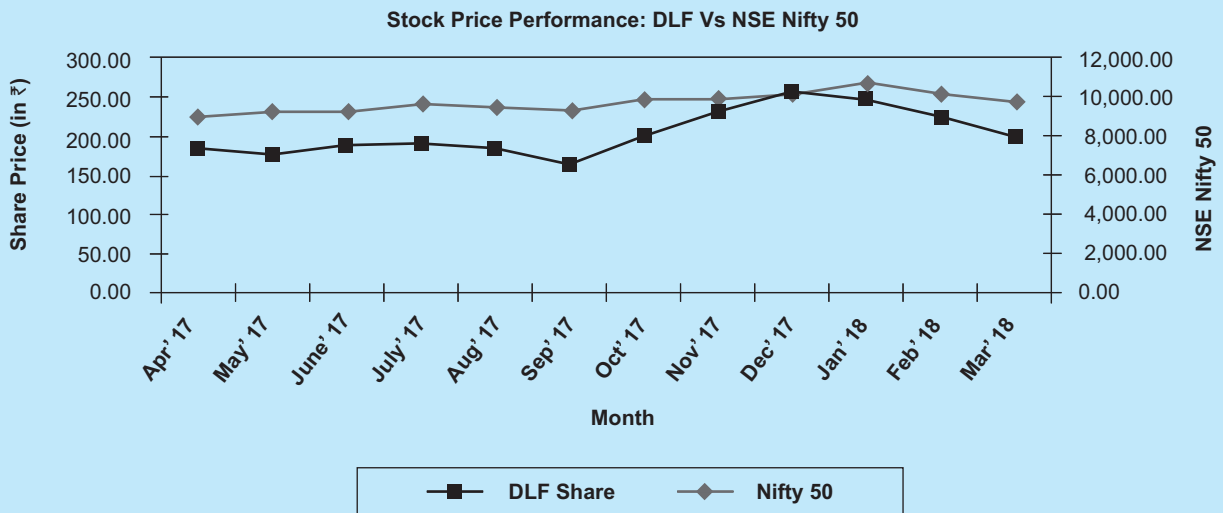
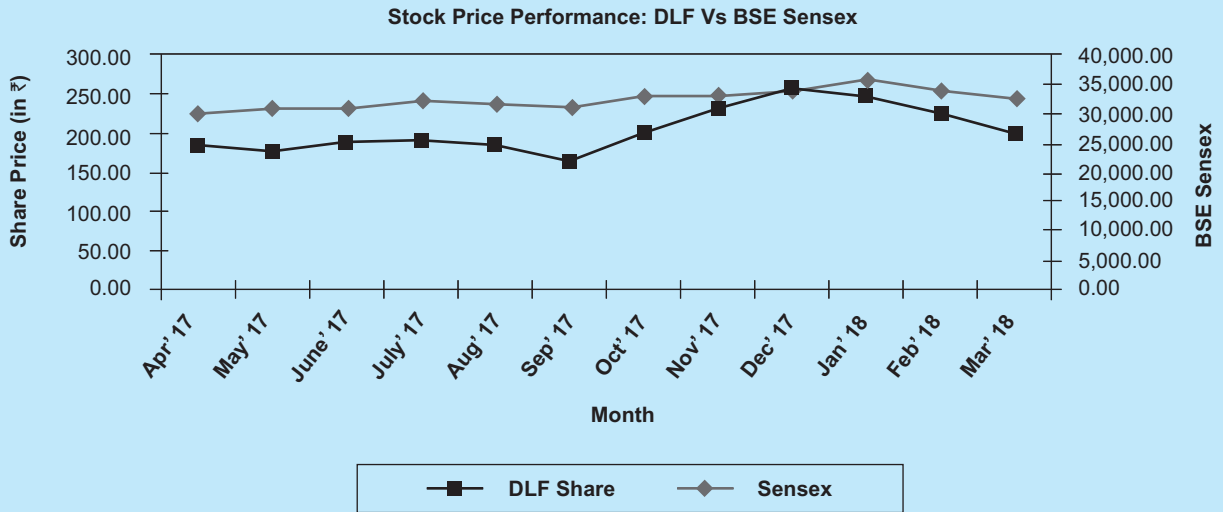
**Website:** www.vistraitcl.com

## g) Stock Market Data

| Month          | National Stock Exchange (NSE) |         |              | Bombay Stock Exchange (BSE) |         |             |
|----------------|-------------------------------|---------|--------------|-----------------------------|---------|-------------|
|                | High (₹)                      | Low (₹) | Volume       | High (₹)                    | Low (₹) | Volume      |
| April 2017     | 197.45                        | 146.20  | 26,65,29,595 | 197.40                      | 146.15  | 2,84,06,421 |
| May 2017       | 216.00                        | 170.20  | 27,70,84,765 | 215.80                      | 170.55  | 2,66,93,786 |
| June 2017      | 203.80                        | 171.40  | 23,84,25,200 | 203.60                      | 171.60  | 2,32,05,311 |
| July 2017      | 207.20                        | 189.75  | 16,56,76,493 | 207.05                      | 190.00  | 1,87,46,330 |
| August 2017    | 196.30                        | 153.00  | 29,25,65,994 | 196.15                      | 153.10  | 2,82,22,962 |
| September 2017 | 198.60                        | 158.20  | 19,04,18,773 | 198.40                      | 158.40  | 1,66,12,461 |
| October 2017   | 202.70                        | 166.00  | 14,98,93,159 | 202.30                      | 166.00  | 1,49,14,535 |
| November 2017  | 234.90                        | 194.15  | 25,62,03,208 | 234.50                      | 194.20  | 2,35,98,564 |
| December 2017  | 266.80                        | 220.95  | 18,96,13,974 | 266.85                      | 220.90  | 1,63,72,766 |
| January 2018   | 273.85                        | 245.55  | 14,67,60,662 | 273.95                      | 245.55  | 1,51,81,036 |
| February 2018  | 253.70                        | 204.50  | 14,95,21,345 | 265.00                      | 204.95  | 1,11,04,269 |
| March 2018     | 229.70                        | 198.80  | 11,45,42,685 | 229.65                      | 198.70  | 72,82,074   |

(Source: NSE & BSE websites)

**h) Performance in comparison to BSE Sensex and NSE Nifty 50**



**i) Registrar and Share Transfer Agent (RTA)**

Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Phone No. 040-67162222; Fax No. 040-23420814; e-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com); Contact Persons: Ms. Varalakshmi, Assistant General Manager (RIS); (Website: [www.karvy.com](http://www.karvy.com)) is the Registrar and Share Transfer Agent (RTA) for Physical Shares. Karvy is also the depository interface of the Company with both National Securities Depository Limited and Central Depository Services (India) Limited.

Agent, within 6-7 days from the date of receipt, subject to the completeness of documents in all aspects. The share certificates duly endorsed are returned immediately to the shareholders by RTA. With a view to expedite the process of share transfer, the Board has delegated the power of share transfer/ transmission etc. to Company Secretary. The details of transfers/ transmission so approved from time to time, are placed before the Stakeholders Relationship Committee & the Board for noting and confirmation.

**j) Share Transfer Mechanism**

The share transfer requests received in physical form are processed through Registrar and Share Transfer

SEBI vide its notification dated 8 June 2018 has amended the Listing Regulations and has mandated that transfer of securities would be carried out in dematerialised form only effective 5 December 2018. Accordingly, request for effecting transfer of securities shall not be processed unless the securities are held

in the dematerialised form with the depository with effect from 5 December 2018. Therefore, Registrar and Share Transfer Agent and the Company will not be accepting any request for transfer of shares in physical form with effect from 5 December 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a demat account or alternatively, contact the office of the Registrar and Share Transfer Agent to guide shareholders in the demat procedure.

Pursuant to Regulation 7(2) of the Listing Regulations, Compliance Certificate jointly signed by Compliance officer and authorized representative of Registrar & Share Transfer Agent certifying compliance regarding maintenance of securities transfer facilities; Certificate by a practicing Company Secretary on half-yearly basis, inter-alia confirming due compliance of share

transfer formalities by the Company under Regulation 40(9) of the Listing Regulations; Certificates for timely dematerialisation of the shares as per SEBI (Depositories and Participants) Regulations, 1996; and Reconciliation of the Share Capital Audit obtained from a practicing Company Secretary have been submitted to stock exchanges within stipulated time.

#### k) Investors' Relations

Investors' Relations function seeks to serve promptly, efficiently and with constant interface the Company's large institutional shareholder base comprising foreign institutional investors, financial institutions, banks, mutual funds & insurance companies. All queries from any shareholder are promptly attended.

The function assists the investor community in better understanding the Company's strategy, vision and long-term growth plans in order to take them informed decisions on their investment.

#### l) Share Ownership Pattern

| S. No.       | Category                                | As on 31.03.2018      |               |
|--------------|---|-----------------------|---------------|
|              |   | No. of Shares held    | %age          |
| 1.           | Promoters and Promoter Group            | 1,33,71,03,120        | 74.95         |
| 2.           | Directors & their Relatives             | 6,48,728              | 0.04          |
| 3.           | Foreign Institutional Investors & OCBs  | 28,98,97,633          | 16.25         |
| 4.           | NRIs & Foreign Nationals                | 25,12,426             | 0.14          |
| 5.           | Mutual Funds & UTI                      | 3,55,26,541           | 1.99          |
| 6.           | Banks, FIs, NBFCs & Insurance Companies | 45,84,000             | 0.26          |
| 7.           | Bodies Corporate                        | 1,49,04,215           | 0.83          |
| 8.           | Public                                  | 9,88,90,365           | 5.54          |
| <b>Total</b> |   | <b>1,78,40,67,028</b> | <b>100.00</b> |

#### m) Distribution of Shareholding by Size as on 31.03.2018

| S. No.       | Category (Shares) | Holders         | % of Total Holders | Shares                | % of Total Shares |
|--------------|-------------------|-----------------|--------------------|-----------------------|-------------------|
| 1.           | 1 - 500           | 3,22,130        | 96.48              | 2,31,42,621           | 1.30              |
| 2.           | 501 - 1000        | 6,006           | 1.80               | 47,05,050             | 0.26              |
| 3.           | 1001 - 2000       | 2,459           | 0.74               | 37,55,041             | 0.21              |
| 4.           | 2001 - 3000       | 818             | 0.24               | 21,23,689             | 0.12              |
| 5.           | 3001 - 4000       | 400             | 0.12               | 14,54,403             | 0.08              |
| 6.           | 4001 - 5000       | 417             | 0.12               | 19,81,110             | 0.11              |
| 7.           | 5001 - 10000      | 566             | 0.17               | 42,87,731             | 0.24              |
| 8.           | 10001 - 20000     | 399             | 0.12               | 58,49,750             | 0.33              |
| 9.           | 20001 and above   | 689             | 0.21               | 1,73,67,67,633        | 97.35             |
| <b>Total</b> |                   | <b>3,33,884</b> | <b>100.00</b>      | <b>1,78,40,67,028</b> | <b>100.00</b>     |

#### n) Dematerialisation of Shares

The equity shares of the Company are tradable in compulsory dematerialised segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited and Central Depository Services (India) Limited.

As on 31 March 2018, 1,78,08,53,466 equity shares (constituting 99.82%) were in dematerialised form and remaining are in physical form.

#### o) Dividend History

(₹ in million)

| Year              | Rate (%) | Amount   |
|-------------------|----------|----------|
| 2011-12           | 100      | 3,397.13 |
| 2012-13           | 100      | 3,560.93 |
| 2013-14           | 100      | 3,563.54 |
| 2014-15           | 100      | 3,565.83 |
| 2015-16 (Interim) | 100      | 3,567.43 |
| 2016-17           | 100      | 3,568.11 |
| 2017-18 (Interim) | 60       | 2,140.88 |

#### p) Transfer of Unpaid/ Unclaimed Dividend Amount/ Shares to Investor Education and Protection Fund (IEPF) Authority

As per the provisions of Section 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, dividends not encashed/ claimed by the shareholders within seven years from the date of transfer to unpaid dividend account are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The IEPF Rules also mandate the companies to transfer the shares of members whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to demat account of IEPF Authority. The members whose dividends/ shares are transferred to IEPF Authority, can claim their dividend/ shares from the Authority.

#### q) Equity Shares in Suspense Accounts

Pursuant to Part F of Schedule V of the Listing Regulations, the Company reports the following details:

| Particulars  | Demat               |                      | Physical            |                      |
|--|---------------------|----------------------|---------------------|----------------------|
|  | No. of Shareholders | No. of Equity Shares | No. of Shareholders | No. of Equity Shares |
| Aggregate number of shareholders and the outstanding shares in the suspense accounts lying as on 1 April 2017.   | 93                  | 4,940                | 147                 | 3,68,053             |
| Number of shareholders who approached the Company for transfer of shares from suspense accounts during the year. | 86                  | 4,220                | 141                 | 3,26,053             |
| Number of shareholders to whom shares were transferred from the suspense accounts during the year.               | 86                  | 4,220                | 141                 | 3,26,053             |
| Aggregate number of shareholders and the outstanding shares in the suspense accounts lying as on 31 March 2018.  | 7                   | 720                  | 6                   | 42,000               |

The voting rights on the shares outstanding in the suspense accounts as on 31 March 2018 shall remain frozen till the rightful owner of such shares claims the shares.

In view of the above, the Company has transferred an amount of ₹ 43,34,748/- pertaining to unpaid/ unclaimed dividend for the FY 2009-10 and 5,89,528 equity shares to IEPF Authority during the financial year 2017-18.

The Company has appointed Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company.

In accordance with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company had sent notices to all shareholders whose dividends/ shares were due to be transferred to the IEPF Authority for FY 2018-19 and simultaneously publish newspaper advertisements.

The Company has uploaded the details of unpaid/ unclaimed amounts lying with the Company as on 29 September 2017 (date of last AGM) on the Company's website and on the website of Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in). The Members who have not encashed their dividend warrants within their validity period may write to the Company at its Registered Office or Karvy Computershare Private Limited, Registrar & Share Transfer Agent of the Company for obtaining duplicate warrants/ or payments in lieu of such warrants in the form of the demand draft.

Given below are the dates when the unclaimed dividend is due for transfer to IEPF Authority by the Company:

| Financial Year    | Date of Declaration | Due Date of Transfer to IEPF Authority* |
|-------------------|---------------------|---|
| 2010-11           | 04.08.2011          | 4.09.2018                               |
| 2011-12           | 07.09.2012          | 13.10.2019                              |
| 2012-13           | 12.08.2013          | 12.09.2020                              |
| 2013-14           | 29.08.2014          | 28.09.2021                              |
| 2014-15           | 28.08.2015          | 27.09.2022                              |
| 2015-16 (Interim) | 17.03.2016          | 18.04.2023                              |
| 2016-17           | 29.09.2017          | 31.10.2024                              |
| 2017-18 (Interim) | 20.03.2018          | 19.04.2025                              |

\*indicative date(s), actual may vary.

**r) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments**

During the year, the Company has issued 37,97,46,836, 0.01% Unsecured Unlisted Compulsorily Convertible Debentures of ₹ 217.25 each at par convertible into equal number of equity shares of ₹ 2/- each of the Company, on a preferential basis to Promoters/ Promoter Group entities.

During the year, the Company has also issued 13,80,89,758 Warrants of ₹ 217.25 each exercisable into equal number of Equity Shares of ₹ 2/- each of the Company on a preferential basis to Promoters/ Promoter Group entities.

The Company has not issued any GDRs/ ADRs except the stock options to its employees.

**s) Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities**

The details of foreign exchange exposures as on 31 March 2018 are disclosed in Notes to the standalone financial statements.

**t) Plant Locations**

The Company does not have any manufacturing or processing plants. The Registered Office of the Company is situated at Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg, Phase-I, DLF City, Gurugram -122 002, Haryana.

The Corporate Office of the Company is located at DLF Gateway Tower, R Block, DLF City, Phase-III, Gurugram - 122 002, Haryana.

**u) Address for Correspondence**

**(i) Investor Correspondence**

For transfer/ dematerialisation of equity shares, non-payment of dividend and any other queries relating to the equity shares, Investors may write to:

Karvy Computershare Private Limited

Unit: **DLF Limited**

Karvy Selenium Tower B, Plot No.31 - 32,  
Gachibowli, Financial District, Nanakramguda  
Hyderabad - 500 032

Phone No. 040-67161514

Fax No. 040-23420814

E-mail: einward.ris@karvy.com

**Website: www.karvy.com**

Contact Person:

Ms. Varalakshmi, Asst. General Manager (RIS)

**For dematerialisation of equity shares**, the investors shall get in touch with their respective depository participant(s).

**(ii) Any query on Annual Report**

The Company Secretary

DLF Limited

DLF Gateway Tower, R Block, DLF City, Phase-III,  
Gurugram - 122 002, Haryana

**Compliance Certificate from the Auditors**

Certificate from the Statutory Auditors of the Company, S.R. Batliboi & Co. LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations is annexed to this Report forming part of the Annual Report.

**Adoption of Mandatory and Non-mandatory Requirements**

Apart from complying with all the mandatory requirements, the Company has adopted following non-mandatory requirements as specified in Regulation 27(1) of the Listing Regulations:

**(a) Financial Statements:** The financial statements of the Company, on standalone basis, are unqualified.

**(b) Separate Post of Chairman & CEO:** Dr. K.P. Singh is the Chairman, Mr. Mohit Gujral and Mr. Rajeev Talwar are the Chief Executive Officer(s) & Whole-time Director(s).

**(c)** The Internal Auditors of the Company directly report to the Audit Committee.

**Certificate from CEO and GCFO**

In terms of Regulation 17(8) of the Listing Regulations, Compliance Certificate issued by Chief Executive Officer(s) and Group Chief Financial Officer is annexed to this Report.

**Reconciliation of Share Capital**

The certificate of Reconciliation of Share Capital Audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on quarterly basis and also submitted to the stock exchanges.

**Fee to Statutory Auditors**

The fee paid to the Statutory Auditors for the FY 2017-18 was ₹ 192.53 lakhs (previous year ₹ 153.84 lakhs) including other certification fee plus applicable taxes and out-of-pocket expenses.

**Investors**

The website of the Company [www.dlf.in](http://www.dlf.in) carries information on Financial Results, Corporate Announcements, Presentations, Credit Rating and Institutional Investors/ Analysts Query, in addition to other relevant information for investors.



## Chief Executive Officer (CEO) and Group Chief Financial Officer (GCFO) Certification

The Board of Directors  
DLF Limited

Pursuant to the provisions of Regulation 17(8) of the Listing Regulations, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year 2017-18, on standalone and consolidated basis and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2017-18 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and that we have taken all necessary steps to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes, if any, in internal control over financial reporting during the financial year 2017-18;
  - (ii) significant changes, if any, in accounting policies during the financial year 2017-18 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

|  | <b>Saurabh Chawla</b> | <b>Rajeev Talwar</b> | <b>Mohit Gujral</b> |
|--|-----------------------|----------------------|---------------------|
|--|-----------------------|----------------------|---------------------|

|                          |              |  |   |
|--------------------------|--------------|--|---|
| New Delhi<br>21 May 2018 | Group<br>CFO | CEO & Whole-<br>time Director<br>DIN: 01440785 | CEO & Whole-<br>time Director<br>DIN:00051538 |
|--------------------------|--------------|--|---|

## Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members  
DLF Limited  
Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg  
Phase-I, DLF City, Gurugram - 122002

The Corporate Governance Report prepared by DLF Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended 31 March 2018. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

### Management's Responsibility

1. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
2. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 2 above.
4. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control

(SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

6. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
- i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors and Key Managerial Personnel with their shareholdings as on 31 March 2018 and verified that at-least one women director was on the Board during the year;
  - iv. Obtained and read the minutes of the following meetings held from 1 April 2017 to 31 March 2018:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting;
    - (d) Extra-ordinary General Meeting;
    - (e) Corporate Governance Committee;
    - (f) Committee of Directors;
    - (g) Finance Committee;
    - (h) Corporate Social Responsibility Committee;
    - (i) Nomination and Remuneration Committee;
    - (j) Stakeholders Relationship Committee; and
    - (k) Risk Management Committee.
  - v. Obtained necessary representations and declarations from directors of the Company including the independent Directors; and
  - vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

7. Based on the procedures performed by us as referred in paragraph 6 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at 31 March 2018, referred to in paragraph 1 above.

### Other matters and Restriction on Use

8. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
9. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

ICAI Firm Registration Number: 301003E/ E300005

per **Manoj Kumar Gupta**  
Partner

Gurugram  
10 August 2018

Membership Number: 83906

# Standalone Financial Statements



# Independent Auditor's Report

## To the Members of DLF Limited

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of DLF Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Opinion

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

#### Emphasis of Matter

We draw attention to Note 52 which describes the uncertainty relating to outcome of following lawsuit filed against the Company:

- a) In a complaint filed against the Company relating to imposing unfair conditions on buyers, the Competition Commission of India has imposed a penalty of ₹ 63,000 lakhs on the Company, which was upheld by Competition Appellate Tribunal. The Company has filed an appeal which is currently pending with Hon'ble Supreme Court of India and has deposited ₹ 63,000 lakhs as per direction of the Hon'ble Supreme Court of India.
- b) In a writ filed with Hon'ble High Court of Punjab and Haryana, the Company and two of its subsidiary companies have received judgments cancelling the sale deeds of land/ demolition of structure relating to two IT SEZ/ IT Park Projects in Gurgaon. The Company and the subsidiary companies have filed Special Leave petitions (SLPs) challenging the orders which is currently pending with Hon'ble Supreme Court of India. The Hon'ble Supreme Court has admitted the matters and stayed the operation of the impugned judgments till further orders in both the cases.
- c) Securities and Exchange Board of India (SEBI) in a complaint filed against the Company, imposed certain restrictions on the Company. The Company had received a favourable order against the appeal in said case from Securities Appellate Tribunal (SAT). SEBI, subsequently, has filed a statutory appeal which is currently pending before Hon'ble Supreme Court. SEBI has also imposed penalties upon the Company, some of its directors, officer, its three subsidiaries and their directors which has been disposed off by SAT with a direction that these appeals will stand automatically revived upon disposal of civil appeal filed by SEBI against aforementioned SAT judgement.

Based on the advice of the external legal counsels, no adjustment has been considered in these financial statements by the management in respect of above matters. Our report is not modified in respect of these matters.

#### Other Matter

1. The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 26, 2017.
2. We did not audit the financial information as regards Company's share in loss of partnership firm (post tax) amounting to ₹ 1,133 lakhs for the year ended March 31, 2018.

The financial information has been audited by other auditors whose reports have been furnished to us, and the Company's share in loss of partnership firm investments has been included in the accompanying standalone Ind AS financial statements solely based on the report of other auditors. Our opinion is not modified in respect of this matter.

3. The accompanying standalone Ind AS financial statements include unaudited financial information as regards Company's share in loss of partnership firm (post tax) amounting to ₹ 261 lakhs for the year ended March 31, 2018. The unaudited financial information has been furnished to us by the management and the Company's share in loss of partnership firm investments included in the accompanying standalone Ind AS financial statements is solely based on such unaudited financial information. Our opinion is not modified in respect of this matter.

### 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 purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) The matters described in emphasis of matter paragraph above, in case of an unfavourable opinion against the Company, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) On the basis of written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report dated May 21, 2018 in "Annexure 2" to this report;
- (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, 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 standalone Ind AS financial statements - Refer Note 52 to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Manoj Kumar Gupta**

Partner

Membership No.: 083906

New Delhi  
21 May 2018

**Annexure 1 referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date**

Re: **DLF Limited** (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets comprising of property, plant and equipment and investment properties.
- (b) All fixed assets comprising of property, plant and equipment and investment properties have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Company, except for five immovable properties having gross block of ₹ 1,338.18 lakhs and net block of ₹ 1,338.18 lakhs, title deed for which is in the name of one of the group companies and the Company is in process of getting them registered in their name. The Company has constructed building on such land having gross block of ₹ 21,238.67 lakhs and net block of ₹ 18,459.49 lakhs.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory represented by development rights. Inventories represented by development rights have been confirmed as at March 31, 2018 on the basis of custodian certificates obtained by the management. No material discrepancies were noticed on such physical verification/ confirmations.
- (iii) (a) The Company has granted unsecured loans to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company’s interest.
- (b) The Company has granted loans that are re-payable on demand, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, in relation to construction industry and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty, value added tax, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to 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 provident fund, employees’ state insurance, income-tax, service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, value added tax, goods and services tax and cess on account of any dispute, are as follows:

| Nature of Statute          | Nature of dues  | Amount<br>(₹ in lakhs) | Amount paid<br>under protest<br>(₹ in lakhs) | Period to which the<br>amount relates | Forum where dispute is<br>pending    |
|----------------------------|---|------------------------|--|---------------------------------------|--------------------------------------|
| Income-tax Act, 1961       | Tax demands on account of various disallowances during tax assessment | 35,740.99              | 12,545.62                                    | Assessment year 2015-16               | Commissioner of Income Tax (Appeals) |
| Income-tax Act, 1961       | Tax demands on account of various disallowances during tax assessment | 315,804.65             | 543.49                                       | Assessment year 2006-07 to 2014-15    | Income Tax Appellate Tribunal        |
| Income-tax Act, 1961       | Tax demands on account of various disallowances during tax assessment | 34,185.68              | -  | Assessment year 1992-93 to 2006-07    | Hon’ble High Court of Delhi          |
| Odisha Entry Tax, Act 1999 | Entry tax demand on purchase of goods in the state of Odisha          | 1.20                   | 0.15   | Assessment year 2009-10 to 2013-14    | Joint Commissioner (Appeals)         |

| Nature of Statute                           | Nature of dues   | Amount<br>(₹ in lakhs) | Amount paid<br>under protest<br>(₹ in lakhs) | Period to which the<br>amount relates | Forum where dispute is<br>pending             |
|---|--|------------------------|--|---------------------------------------|---|
| Odisha Entry Tax, Act 1999                  | Entry tax demand on purchase of goods in the state of Odisha                 | 0.76                   | -  | Assessment year 2014-15 to 2015-16    | Additional Commissioner (Appeals)             |
| West Bengal Entry Tax Act, 2012             | Entry tax demand on purchase of goods in the state of West Bengal            | 5.14                   | -  | Assessment year 2012-13               | Hon'ble High Court of Kolkata                 |
| Odisha Value Added Tax Act, 1999            | Demand of VAT on leased transaction  | 263.69                 | -  | Assessment year 2009-10 to 2013-14    | Hon'ble High Court of Odisha                  |
| Odisha Value Added Tax Act, 1999            | Demand of VAT on leased transaction  | 676.56                 | -  | Assessment year 2014-15 to 2015-16    | Additional Commissioner (Appeals)             |
| Uttar Pradesh Value Added Tax Act, 2008     | Demand of VAT on account of taxable turnover                                 | 46.19                  | 24.12  | Assessment year 2011-12 to 2015-16    | Additional Commissioner (Appeals) Noida       |
| Uttar Pradesh Value Added Tax Act, 2008     | Penalty on late deposit of VAT   | 127.33                 | -  | Assessment year 2012-13               | Tax Tribunal, Noida                           |
| Haryana General Sales Tax Act, 1973         | Disallowance of refund   | 145.01                 | 145.01                                       | Assessment year 1997-98 to 1999-2000  | Hon'ble High Court, Punjab & Haryana          |
| Haryana Value Added Tax Act, 2003           | Demand of VAT u/s 34 on account of developer matter                          | 1,217.18               | -  | Assessment year 2007-08 to 2008-09    | Tax Tribunal, Chandigarh                      |
| The Finance Act, 2004 and Service tax rules | Denial of Cenvat credit on rent paid and service tax demand on other matters | 5,792.59               | 281.24                                       | Assessment year 2003-04 to 2012-13    | CESTAT, Chandigarh                            |
| The Finance Act, 2004 and Service tax rules | Interest on wrong availment of inadmissible Cenvat Credit                    | 221.62                 | -  | Assessment year 2011-12               | Commissioner Service Tax                      |
| The Finance Act, 2004 and Service tax rules | Demand of service tax on transfer of development rights                      | 4,991.45               | 850.00                                       | Assessment year 2012-13 to 2014-15    | Additional Director General, DGCEI, New Delhi |
| The Finance Act, 2004 and Service tax rules | Demand of service tax on transfer of development rights                      | 1,697.00               | -  | Assessment year 2015-16               | Commissioner CGST, Gurugram                   |

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. The Company did not have any outstanding loans or borrowings due to government.

(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 preferential allotment of share warrants, compulsorily convertible debentures and term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer/ further public offer.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(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 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of Section 42 of the Companies Act, 2013 in respect of the preferential allotment of compulsorily convertible debentures and share warrants during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(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

ICAI Firm Registration Number: 301003E/E300005

per **Manoj Kumar Gupta**

Partner

Membership No.: 083906

New Delhi  
21 May 2018

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DLF 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 Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

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

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone 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 standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/300005

per **Manoj Kumar Gupta**

Partner

Membership No.: 083906

New Delhi

21 May 2018



# Standalone Balance Sheet as at 31 March 2018

(₹ in lakhs)

|  | Note | As at<br>31 March 2018 | As at<br>31 March 2017 |
|--|------|------------------------|------------------------|
| <b>ASSETS</b>  |      |                        |                        |
| <b>Non-current assets</b>  |      |                        |                        |
| Property, plant and equipment  | 3    | 30,909.69              | 36,035.98              |
| Capital work-in-progress   | 3    | 1,517.28               | 2,807.72               |
| Investment property  | 4    | 346,975.96             | 363,144.63             |
| Other intangibles assets   | 5    | 16,271.71              | 16,736.18              |
| Investment in subsidiaries, associates, joint ventures and partnership firms | 6A   | 915,399.39             | 724,195.47             |
| Financial assets   |      |                        |                        |
| Investments  | 6B   | 9,733.32               | 9,321.66               |
| Loans  | 7    | 47,075.21              | 51,194.30              |
| Other financial assets   | 8    | 4,881.07               | 6,575.79               |
| Deferred tax assets (net)  | 9    | 162,439.10             | 182,182.14             |
| Non-current tax assets (net)   | 10   | 51,228.31              | 40,907.54              |
| Other non-current assets   | 11   | 66,647.06              | 69,416.36              |
|  |      | <b>1,653,078.10</b>    | <b>1,502,517.77</b>    |
| <b>Current assets</b>  |      |                        |                        |
| Inventories  | 12   | 973,164.27             | 967,337.80             |
| Financial assets   |      |                        |                        |
| Investments  | 6C   | 94,959.76              | -                      |
| Trade receivables  | 13   | 40,491.00              | 59,603.89              |
| Cash and cash equivalents  | 14   | 89,650.37              | 81,142.92              |
| Other bank balances  | 15   | 11,234.43              | 11,107.74              |
| Loans  | 7    | 239,458.01             | 58,628.16              |
| Other financial assets   | 8    | 163,093.21             | 167,895.08             |
| Other current assets   | 11   | 29,615.40              | 19,736.71              |
|  |      | <b>1,641,666.45</b>    | <b>1,365,452.30</b>    |
| <b>Total assets</b>  |      | <b>3,294,744.55</b>    | <b>2,867,970.07</b>    |
| <b>EQUITY AND LIABILITIES</b>  |      |                        |                        |
| <b>Equity</b>  |      |                        |                        |
| Equity share capital   | 16A  | 35,681.34              | 35,680.06              |
| Warrant (refer note 42)  |      | 75,010.36              | -                      |
| Other equity   | 17   | 2,232,786.88           | 1,434,658.27           |
| <b>Total equity</b>  |      | <b>2,343,478.58</b>    | <b>1,470,338.33</b>    |
| <b>Non-current liabilities</b>   |      |                        |                        |
| Financial liabilities  |      |                        |                        |
| Borrowings   | 18   | 268,963.97             | 475,962.29             |
| Trade payables   | 19   | 79,418.65              | 79,418.65              |
| Other financial liabilities  | 20   | 15,808.61              | 12,415.92              |
| Provisions   | 21   | 2,317.18               | 1,694.38               |
| Other non-current liabilities  | 22   | 8,285.64               | 7,151.61               |
|  |      | <b>374,794.05</b>      | <b>576,642.85</b>      |
| <b>Current liabilities</b>   |      |                        |                        |
| Financial liabilities  |      |                        |                        |
| Borrowings   | 23   | 95,599.72              | 300,775.37             |
| Trade payables   | 24   | 82,217.09              | 60,593.80              |
| Other financial liabilities  | 25   | 247,576.52             | 181,221.49             |
| Other current liabilities  | 26   | 149,294.29             | 275,828.47             |
| Provisions   | 21   | 1,784.30               | 2,569.76               |
|  |      | <b>576,471.92</b>      | <b>820,988.89</b>      |
| <b>Total equity and liabilities</b>  |      | <b>3,294,744.55</b>    | <b>2,867,970.07</b>    |
| <b>Significant accounting policies</b>                                       | 2    |                        |                        |

The accompanying notes are an integral part of the Financial Statements

For and on behalf of the Board of Directors

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

As per report of even date

for **S.R. BATLIBOI & CO. LLP**  
ICAI Firm Registration Number: 301003E/E300005  
Chartered Accountants

per **Manoj Kumar Gupta**  
Partner

Membership Number: 083906

New Delhi  
21 May 2018

# Standalone Statement of Profit and Loss account for the year ended 31 March 2018

(₹ in lakhs)

|   | Note | 31 March 2018     | 31 March 2017     |
|---|------|-------------------|-------------------|
| <b>REVENUE</b>  |      |                   |                   |
| Revenue from operations   | 27   | 305,590.44        | 370,295.49        |
| Other income  | 28   | 74,788.54         | 70,230.50         |
| <b>Total income</b>   |      | <b>380,378.98</b> | <b>440,525.99</b> |
| <b>EXPENSES</b>   |      |                   |                   |
| Cost of land, plots, development rights, constructed properties and others  | 29   | 148,742.98        | 164,548.85        |
| Employee benefits expense   | 30   | 14,387.94         | 10,773.58         |
| Finance costs   | 31   | 102,348.97        | 123,614.62        |
| Depreciation and amortisation expense   | 32   | 13,181.60         | 9,895.71          |
| Other expenses  | 33   | 35,106.08         | 39,423.02         |
|   |      | <b>313,767.57</b> | <b>348,255.78</b> |
| <b>Profit before exceptional items and tax</b>  |      | <b>66,611.41</b>  | <b>92,270.21</b>  |
| Exceptional items (net)   | 34   | (12,065.86)       | (4,225.00)        |
| <b>Profit before tax</b>  |      | <b>54,545.55</b>  | <b>88,045.21</b>  |
| <b>Tax expense:</b>   | 35a  |                   |                   |
| Current tax   |      | -                 | (276.93)          |
| Adjustment of tax relating to earlier periods   |      | (1,118.47)        | -                 |
| Deferred tax  |      | 19,143.65         | 28,665.93         |
| <b>Net profit for the year</b>  |      | <b>36,520.37</b>  | <b>59,656.21</b>  |
| <b>Other comprehensive income</b>   |      |                   |                   |
| Items that will not be reclassified to profit and loss in subsequent periods  |      |                   |                   |
| Net (loss)/ gain on fair value of FVOCI equity instruments  |      | (387.95)          | (336.28)          |
| Income tax effect   |      | 89.50             | 77.58             |
| Re-measurement (loss)/ gain on defined benefit plans  |      | 57.54             | (56.10)           |
| Income tax effect   |      | (19.91)           | 19.42             |
| Items that will be reclassified to profit or loss in subsequent period  |      |                   |                   |
| Amortisation of forward element of forward contracts and recognition of changes in fair value of hedging instrument |      | 1,933.03          | (1,192.00)        |
| Income tax effect   |      | (668.98)          | 412.00            |
| <b>Total comprehensive income for the year</b>  |      | <b>37,523.60</b>  | <b>58,580.83</b>  |
| <b>Earnings per equity share</b>  |      |                   |                   |
|   | 36   |                   |                   |
| <b>[Nominal value of shares ₹ 2/- (31 March 2017: ₹ 2/-)]</b>   |      |                   |                   |
| Basic (₹)   |      | 2.05              | 3.34              |
| Diluted (₹)   |      | 1.93              | 3.34              |
| <b>Significant accounting policies</b>  | 2    |                   |                   |

The accompanying notes are an integral part of the Financial Statements

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

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

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

As per report of even date  
for **S.R. BATLIBOI & CO. LLP**  
ICAI Firm Registration Number: 301003E/E300005  
Chartered Accountants

New Delhi  
21 May 2018

per **Manoj Kumar Gupta**  
Partner  
Membership Number: 083906

## Standalone Cash Flow Statement for the year ended 31 March 2018

(₹ in lakhs)

|   | 31 March 2018     | 31 March 2017      |
|---|-------------------|--------------------|
| <b>A. OPERATING ACTIVITIES</b>  |                   |                    |
| Profit before tax   | 54,545.55         | 88,045.21          |
| Depreciation, amortisation and impairment expense   | 13,197.54         | 9,895.71           |
| Loss/(profit) on sale of property, plant and equipment (net)                                | (1,953.82)        | 60.32              |
| Rental income on account of discounting of security deposits and straight lining effect     | 2,393.50          | 2,593.64           |
| Amounts written off   | 495.32            | 128.54             |
| Finance cost (including fair value change in financial instruments)                         | 102,348.97        | 123,608.04         |
| Interest income (including fair value change in financial instruments)                      | (30,832.62)       | (70,466.21)        |
| Loss from partnership firms (net)   | 4,535.26          | 5,508.53           |
| Gain on fair valuation of financial instruments through P&L                                 | (1,717.51)        | (374.61)           |
| Gain on fair valuation of financial instruments OCI   | 387.95            | -                  |
| Net foreign exchange differences  | 1,596.32          | 1,787.72           |
| Unclaimed balances and excess provisions written back                                       | (53.53)           | (290.12)           |
| Provision for expected credit loss written back   | (19,125.93)       | -                  |
| Dividend income   | (23,173.68)       | (1,856.80)         |
| Profit on sale of investments   | (851.18)          | (1,242.80)         |
| Profit on sale of mutual fund   | (232.95)          | -                  |
| Loss on modification on discounting of security deposit                                     | -                 | 6.58               |
| Impairment for doubtful advances/ allowance for expected credit loss                        | 4,631.16          | 1,315.75           |
| Exceptional items   | 12,065.86         | 4,225.00           |
|   | <b>118,256.21</b> | <b>162,944.50</b>  |
| Working capital adjustments:  |                   |                    |
| (Increase)/ decrease in trade receivables   | 16,132.20         | (55,985.79)        |
| (Increase) in inventories   | (5,826.47)        | (7,774.92)         |
| (Increase) in other assets  | (9,109.39)        | (6,963.84)         |
| Decrease in loans   | -                 | 74.46              |
| Decrease in other financial assets  | 4,892.22          | 2,852.90           |
| (Decrease)/ increase in other financial liabilities   | (7,252.37)        | 19,846.51          |
| (Decrease) in provisions  | (162.66)          | 1,301.13           |
| (Decrease) in other liabilities   | (127,436.96)      | (186,898.31)       |
| Increase in trade payables  | 19,311.67         | 13,592.06          |
|   | <b>8,804.45</b>   | <b>(57,011.30)</b> |
| Income taxes paid (net of refund)   | (5,060.19)        | (12,608.81)        |
| <b>Net cash flow (used in)/ from operating activities (A)</b>                               | <b>3,744.26</b>   | <b>(69,620.11)</b> |
| <b>B. INVESTING ACTIVITIES</b>  |                   |                    |
| Proceeds from sale of property, plant and equipment and capital work-in-progress            | 35,050.24         | 2,605.48           |
| Purchase of property, plant and equipment, investment property and capital work-in-progress | (1,835.44)        | (12,055.65)        |
| Purchase of investments in subsidiary companies/ partnership firms                          | (318,949.30)      | (352,199.64)       |
| Proceeds from sale of investments   | 2,306.01          | (1,000.00)         |
| Investment in fixed deposit with maturity more than 3 months (financial instruments)        | (1,669,878.09)    | (465,340.49)       |
| Redemption in fixed deposit with maturity more than 3 months (financial instruments)        | 1,669,815.78      | 465,252.36         |

## Standalone Cash Flow Statement (Contd.)

(₹ in lakhs)

|  | 31 March 2018       | 31 March 2017       |
|--|---------------------|---------------------|
| (Increase)/ decrease in unpaid dividend account  | (69.08)             | 117.26              |
| Loans given to subsidiary companies, partnership firms, associates and joint ventures  | (331,761.08)        | (57,822.20)         |
| Loans repaid by subsidiary companies, partnership firms, associates and joint ventures | 177,225.90          | 517,035.50          |
| Interest received  | 20,526.53           | 110,619.83          |
| Dividend received  | 23,173.68           | 1,901.07            |
| Proceeds from exceptional items  | -                   | 1,145.92            |
| <b>Net cash flow from investing activities (B)</b>                                     | <b>(394,394.85)</b> | <b>210,259.44</b>   |
| <b>C. FINANCING ACTIVITIES</b>   |                     |                     |
| Proceeds from exercise of share options  | 1.28                | 5.78                |
| Proceeds from long-term borrowings (including current maturities)                      | 108,000.00          | 48,454.22           |
| Repayment of long-term borrowings (including current maturities)                       | (246,266.06)        | (177,429.09)        |
| Issue of Compulsorily Convertible Debentures   | 825,000.00          | -                   |
| Issue of warrant   | 75,010.36           | -                   |
| Repayment of short-term borrowings (net)   | (205,176.41)        | 97,397.87           |
| Interest paid  | (93,044.91)         | (122,037.19)        |
| Dividend paid  | (57,089.94)         | -                   |
| Dividend distribution tax  | (7,284.33)          | -                   |
| <b>Net cash used in financing activities (C)</b>                                       | <b>399,149.99</b>   | <b>(153,608.41)</b> |
| Net increase/(decrease) in cash and cash equivalents (A+B+C)                           | 8,499.40            | (12,969.08)         |
| Net foreign exchange difference  | 8.05                | (1.35)              |
| Cash and cash equivalents at the beginning of the year                                 | 81,142.92           | 94,113.35           |
| <b>Cash and cash equivalents at year end</b>   | <b>89,650.37</b>    | <b>81,142.92</b>    |
| <b>Components of cash and cash equivalents:</b>  |                     |                     |
| Cash in hand   | 29.24               | 36.03               |
| Balances with banks:   |                     |                     |
| In current accounts  | 19,621.13           | 61,106.89           |
| In deposits with original maturity of less than three months                           | 70,000.00           | 20,000.00           |
|  | 89,650.37           | 81,142.92           |

For and on behalf of the Board of Directors

**Saurabh Chawla**

Group Chief Financial Officer

**Subhash Setia**

Company Secretary

**Mohit Gujral**

CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**

CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**

Vice Chairman  
DIN: 00003214

As per report of even date

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

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

per **Manoj Kumar Gupta**

Partner

Membership Number: 083906

New Delhi

21 May 2018

## Standalone Statement of Changes in Equity for the year ended 31 March 2018

## A. Equity share capital\*

| Equity shares of ₹ 2/- each issued, subscribed and fully paid | No. in Lakhs | ₹ in Lakhs |
|---|--------------|------------|
| At 31 March 2017  | 17,840.03    | 35,680.06  |
| Issue of share capital (refer note 16A)                       | 0.64         | 1.28       |
| At 31 March 2018  | 17,840.67    | 35,681.34  |

## B. Other equity\*\*

|   | Share application money pending allotment | Reserves and Surplus |                            |   |                            |                 | Employees' stock options outstanding | Forfeiture of shares | Debenture redemption reserve | Retained earnings | Other comprehensive income                            |  | Total        |
|---|---|----------------------|----------------------------|---|----------------------------|-----------------|--------------------------------------|----------------------|------------------------------|-------------------|---|--|--------------|
|   |   | Capital reserve      | Capital redemption reserve | Equity component of Compulsorily Convertible Debentures | Securities premium reserve | General reserve |                                      |                      |                              |                   | Equity Instruments through Other Comprehensive Income | Remeasurement of defined benefit plans |              |
| Balance as at 1 April 2016                      | 0.18                                      | 250.08               | 177.12                     | -   | 1,082,335.69               | 263,948.28      | 3,034.83                             | 66.55                | 14,682.00                    | 13,881.47         | 296.23  | (2,549.43)                             | 1,376,123.00 |
| Profit for the year                             | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | 59,656.21         | -   | -                                      | 59,656.21    |
| Total comprehensive income                      | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | -            |
| Exercise of share options (refer note 17)       | -   | -                    | -                          | -   | 1,152.77                   | -               | (1,473.17)                           | -                    | -                            | -                 | -   | -                                      | (320.40)     |
| Cash dividends                                  | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | -            |
| Dividend distribution tax (DDT)                 | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | -            |
| Equity share application money received         | 5.78                                      | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | 5.78         |
| Equity Share (5.74)                             | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | (5.74)       |
| Transfer from/to retained earnings              | -   | -                    | -                          | -   | -                          | 274.80          | -                                    | -                    | 10,143.00                    | (10,143.00)       | -   | -                                      | 274.80       |
| Amortisation of deferred employee compensation  | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | (36.68)           | (258.70)  | (780.00)                               | (1,075.38)   |
| Application money pending allotment             | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | -            |
| Balance as at 31 March 2017                     | 0.22                                      | 250.08               | 177.12                     | -   | 1,083,488.46               | 264,223.08      | 1,561.66                             | 66.55                | 24,825.00                    | 63,358.00         | 37.53   | (3,329.43)                             | 1,434,658.27 |
| Profit for the year                             | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | 36,520.37         | -   | -                                      | 36,520.37    |
| Total comprehensive income                      | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | -            |
| Exercise of share options                       | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | -                 | -   | -                                      | -            |
| Cash dividends (Note 40)                        | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | (57,089.94)       | -   | -                                      | (57,089.94)  |
| Dividend distribution tax (DDT) (refer note 40) | -   | -                    | -                          | -   | -                          | -               | -                                    | -                    | -                            | (7,284.33)        | -   | -                                      | (7,284.33)   |

(₹ in lakhs)

## Standalone Statement of Changes in Equity (Contd.)

(₹ in lakhs)

|  | Share application money pending allotment | Reserves and Surplus |                            |   |                            |                   | Other comprehensive income           |                      |                             | Total            |                   |   |
|--|---|----------------------|----------------------------|---|----------------------------|-------------------|--------------------------------------|----------------------|-----------------------------|------------------|-------------------|---|
|  |   | Capital reserve      | Capital redemption reserve | Equity component of Compulsorily Convertible Debentures | Securities premium reserve | General reserve   | Employees' stock options outstanding | Forfeiture of shares | Debiture redemption reserve |                  | Retained earnings | Equity Instruments through Other Comprehensive Income |
| Equity share application money received                    | 1.07                                      | -                    | -                          | -   | -                          | -                 | -                                    | -                    | -                           | -                | -                 | 1.07  |
| Share application money adjusted on issue of equity shares | (1.29)                                    | -                    | -                          | -   | -                          | -                 | -                                    | -                    | -                           | -                | -                 | (1.29)  |
| Transfer from/ to retained earnings                        | -   | -                    | -                          | 825,000.00  | 246.93                     | -                 | (267.43)                             | -                    | (2,993.75)                  | 2,993.75         | -                 | 824,979.50  |
| Amortisation of deferred employee compensation             | -   | -                    | -                          | -   | -                          | -                 | -                                    | -                    | -                           | -                | 1,264.05          | 1,003.23  |
| Application money pending allotment                        | -   | -                    | -                          | -   | -                          | -                 | -                                    | -                    | -                           | -                | -                 | -   |
| <b>Balance as at 31 March 2018</b>                         | <b>(0.00)</b>                             | <b>250.08</b>        | <b>177.12</b>              | <b>825,000.00</b>                                       | <b>1,083,735.39</b>        | <b>264,223.08</b> | <b>1,294.23</b>                      | <b>66.55</b>         | <b>21,831.25</b>            | <b>38,497.85</b> | <b>(2,065.38)</b> | <b>2,232,786.88</b>                                   |

\* refer note 16A.

\*\* refer note 17.

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

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

As per report of even date

for **S.R. BATLIBOI & CO. LLP**  
ICAI Firm Registration Number: 301003/E/300005  
Chartered Accountants

per **Manoj Kumar Gupta**  
Partner  
Membership Number: 083906

New Delhi  
21 May 2018

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### 1. CORPORATE INFORMATION

DLF Limited ('the Company') is primarily engaged in the business of colonisation and real estate development. The operations of the Company span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects. The Company is also engaged in the business of leasing, maintenance services and recreational activities which are related to the overall development of real estate business. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two recognised stock exchanges in India. The registered office is situated at Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg, Phase I, DLF City, Gurugram - 122002, Haryana.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors dated 21 May 2018.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented, except for the changes in accounting policy for amendments to the standard that were effective for annual period beginning from on or after 1 April 2017:

- Amendments to Ind AS 7 Statement of Cash Flow: Disclosure Initiative for additional disclosure of changes in liabilities arising from financing activities on account of non-cash transactions;
- Amendment to Ind AS 102 Share-based Payment to cover:
  - i) Measurement of cash-settled share-based payments;
  - ii) Classification of share-based payments settled net of tax withholdings;
  - iii) Accounting for a modification of a share based payment from cash-settled to equity-settled.

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, derivative financial instruments and share based payments which are measured at fair values as explained in relevant accounting policies.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in cash flow hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in Rupees in lakhs, except when otherwise indicated.

#### 2.2 Summary of significant accounting policies

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

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is

treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

##### b) Property, plant and equipment

###### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. On transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost).

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. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. 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, if any. Depreciation on property, plant and equipment is provided

on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset category                      | Useful life (in years) |
|-------------------------------------|------------------------|
| Buildings                           | 20-60                  |
| Plant and machinery                 | 10-15                  |
| Computers and data processing units |                        |
| Servers and networks                | 6                      |
| Desktops, laptops and other devices | 3                      |
| Furniture and fixtures              | 5-10                   |
| Office equipment                    | 5                      |
| Vehicles                            | 8-10                   |
| Aircraft and helicopters            | 20                     |

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is de-recognised 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 de-recognised.

#### **c) Capital work-in-progress and intangible assets under development**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost less accumulated impairment loss, if any. Cost includes land, related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

#### **d) Investment properties**

##### *Recognition and initial measurement*

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition, including transaction costs. On transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). 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. When significant parts of the investment property are

required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

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)*

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the useful lives of the assets as follows:

| Asset category                   | Useful life (in years) |
|----------------------------------|------------------------|
| Buildings and related equipment* | 20-60                  |
| Furniture and fixtures           | 5-10                   |

\* Apart from all the assets, the Company has developed commercial space (in addition to automated multi-level car parking) over the land parcel received under the build, own, operate and transfer scheme of the public private partnership (as mentioned in the intangible assets policy below) which has been depreciated in the proportion in which the actual revenue received during the accounting year bears to the projected revenue from such assets till the end of concession period.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

##### *De-recognition*

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

#### **e) Intangible assets**

##### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. On transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). 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. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Company has acquired exclusive usage rights for 30 years under the build, own, operate and transfer scheme in



## Notes to the Standalone Financial Statements (Contd.)

respect of properties developed as automated multi-level car parking and commercial space and classified them under the "Intangible Assets - Right under build, own, operate and transfer arrangement".

### *Subsequent measurement (amortisation)*

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. The cost of capitalized software is amortized over a period of 5 years from the date of its acquisition.

The cost of usage rights is being amortised over the concession period in the proportion in which the actual revenue received during the accounting year bears to the projected revenue from such intangible assets till the end of concession period.

### *De-recognition*

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### **f) Investment in equity instruments of subsidiaries, joint ventures and associates**

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'.

### **g) Inventories**

- Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/ as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost, estimated internal development costs and external development charges.
- Construction work-in-progress of constructed properties other than Special Economic Zone (SEZ) projects includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/ estimated cost and net realisable value.
- In case of SEZ projects, construction work-in-progress of constructed properties include internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/ estimated cost and net realisable value.
- Development rights represent amount paid under agreement to purchase land/ development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/ development rights in identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage.
- Construction/ development material is valued at lower of cost and net realisable value. Cost comprises of purchase price and other costs incurred in bringing the inventories to

their present location and condition. Cost is determined on weighted-average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

### **h) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company has concluded that it is the principle in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Sales tax/ value added tax (VAT)/ Goods and Services Tax (GST) is not received by the Company on its own account and accordingly excluded from revenue.

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

#### *Revenue from real estate projects*

Revenue from constructed properties for all projects is recognized in accordance with the "Guidance Note on Accounting for Real Estate Transactions" ('Guidance Note'). As per the Guidance Note, the revenue has been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

For projects other than SEZ, revenue is recognised in accordance with the term of duly executed agreements to sell/ application forms (containing salient terms of agreement to sell). Estimated project cost includes cost of land/ development rights, borrowing costs, overheads, estimated construction and development cost of such properties.

For SEZ projects, revenue from development charges is recognised in accordance with the terms of the co-developer agreements/ memorandum of understanding ('MOU'), read with addendum, if any. The estimated project cost includes construction cost, development and construction material, internal development cost, external development charges, borrowing cost and overheads of such project. Revenue from lease of land pertaining to such projects is recognised in accordance with the terms of the co-developer agreements/ MOU on accrual basis.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

#### *Sale of land and plots*

Sale of land and plots (including development rights) is recognised in the financial year in which the agreement to sell/ application forms (containing salient terms of agreement to sell) is executed and there exists no uncertainty in the ultimate collection of consideration from buyers. Where the Company has any remaining substantial obligations as per agreements, revenue is

recognised on 'percentage of completion method' as explained above under 'revenue from real estate projects' above.

#### *Sale of development rights*

Sale of development rights is recognized in the financial year in which the agreements of sale are executed and there exists no uncertainty in the ultimate collection of consideration from buyers.

#### *Revenue from golf course operations*

Income from golf operations, course capitation, sponsorship etc. is fixed and recognised as per the operation and management agreement entered with the parties, as and when services are rendered as per contractual agreed terms.

#### *Rental income*

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

#### *Maintenance income*

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

#### *Other operating income*

Income from forfeiture of properties and delayed interest from customers under agreements to sell is accounted for on an accrual basis except in cases where ultimate collection is considered doubtful.

#### *Share of profit/ loss from partnership*

Share of profit/ loss from firms in which the Company is a partner is accounted for in the financial year ending on (or immediately before) the date of the balance sheet.

#### *Interest income*

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

#### *Dividend income*

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **i) Unbilled receivables**

Unbilled receivables represent:

- Revenue recognised based on percentage of completion method, as per policy on revenue, over and above the

amount due as per the payment plans agreed with the customers; and

- Balance on account of straight lining of rental income over the estimated rent free period.

### **j) Cost of revenue**

#### *Cost of real estate projects*

Cost of constructed properties other than SEZ projects, includes cost of land (including cost of development rights/ land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

#### *Cost of SEZ projects*

Cost of constructed properties includes estimated internal development costs, external development charges, overheads, borrowing cost, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate SEZ projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

#### *Cost of land and plots*

Cost of land and plots includes land (including development rights), acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/ plotted area in respect of which revenue is recognised as explained in accounting policy for revenue from 'Sale of land and plots', in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

#### *Cost of development rights*

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost, which is charged to statement of profit and loss as explained in accounting policy for revenue, in consonance with the concept of matching cost and revenue.

### **k) Borrowing costs**

Borrowing costs directly attributable to the acquisition and/ or construction 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. All other borrowing costs are charged to the statement of profit and loss as incurred. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **l) Taxation**

#### *Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation

## Notes to the Standalone Financial Statements (Contd.)

authorities. 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 recognized 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.

“Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.”

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ Goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case,

the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

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

### m) Foreign currency transactions

#### *Functional and presentation currency*

The financial statements are presented in Indian Rupees (₹) 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 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 settlement of monetary items, or restatement as at reporting date, 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.

### n) Employee benefits

#### *Provident Fund*

Retirement benefit in the form of provident fund is a defined benefit scheme. The Company makes contribution to statutory provident fund trust set up in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### *Gratuity*

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by

reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/ losses resulting from re-measurements of the liability are included in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

#### *Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

#### *Short-term employee benefits*

Expense in respect of short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee. Contribution made towards superannuation fund (funded by payments to Life Insurance Corporation of India) is charged to statement of profit and loss on accrual basis.

### **o) Share based payments**

#### *Employee Stock Option Plan*

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

#### *Employee Shadow Option Scheme (cash settled options)*

Fair value of cash settled options granted to employees under the Employee's Shadow Option Scheme is determined on the basis of excess of the average market price, during the month before the reporting date, over the exercise price of the shadow option. This fair value is expensed over the vesting period with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to,

and including the settlement date, with changes in fair value recognised in employee benefits expense over the vesting period.

### **p) 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 recoverable amount of the asset is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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.

### **q) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### **r) Cash dividend and non-cash distribution to equity holders**

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## Notes to the Standalone Financial Statements (Contd.)

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

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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 neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

### t) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as finance lease.

#### Company as a lessee

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are

classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs. 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. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### u) 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 carried at amortised cost** - a financial asset 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. Investments in equity instruments of subsidiaries, joint ventures and associates** - Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 *Separate Financial Statements*.

**iii. Investments in other equity instruments** - Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

**iv. Investments in mutual funds** - Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

*De-recognition of financial assets*

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

**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.

**Non-derivative financial liabilities**

*Subsequent measurement*

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

*Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

*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.

**Derivative financial instruments and hedge accounting**

The Company holds derivative financial instruments to hedge its foreign currency exposure for underlying external commercial borrowings ('ECB'). Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments. To qualify for hedge accounting, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction. The Company has designated the changes in spot element of the derivative as hedging instrument to mitigate variability in cash flows associated with the foreign exchange risk of the said ECB. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The changes in fair value of the forward element of the derivative are recognised in other comprehensive income and are accumulated in 'Cash Flow Hedge Reserve'. The difference between forward and spot element at the date of designation of the hedging instrument is amortised over the period of the hedge. Hence, in each reporting period, the amortisation amount shall be reclassified from the separate component of equity to profit or loss as a reclassification adjustment. However, if hedge accounting is discontinued for the hedging relationship that includes the changes in forward element of the hedging instrument, the net amount (i.e. including cumulative amortisation) that has been accumulated in the separate component of equity shall be immediately reclassified into profit or loss as a reclassification adjustment.

## Notes to the Standalone Financial Statements (Contd.)

### Reclassification of financial instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

### 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.

### v) Fair value measurement

The Company measures its financial instruments such as derivative instruments, etc. at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management.

### w) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### x) Significant management judgement in applying accounting policies and estimation uncertainty

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

#### *Significant management judgements*

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

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

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

lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**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 financial assets.

**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 contingent liabilities. However the actual future outcome may be different from this judgement.

**Revenue recognition criteria** - Revenue is recognized on transactions where more than 10% of sales value is received from customers as prescribed in "Guidance Note on Accounting for Real Estate Transactions". Apart from criteria specified in Guidance note (with respect to criteria of minimum sale less than 25% of total area), the Company recognises revenue on transactions if less than 2 defaults are made by customers or more than 75% of demanded value is received from customers. At each balance sheet date, the management assesses the above mentioned criteria for revenue recognition.

#### Significant estimates

**Revenue and inventories** - The Company recognises revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

**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 assets.

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

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

**Defined benefit obligation (DBO)** - Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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

### 3. PROPERTY, PLANT AND EQUIPMENT

The changes in the carrying value of property, plant and equipment for the year ended 31 March 2018 are as follows:

(₹ in lakhs)

| Description                     | Gross block      |                 |                        |                  | Accumulated depreciation |                 |                        |                 | Net block        |                  |
|---------------------------------|------------------|-----------------|------------------------|------------------|--------------------------|-----------------|------------------------|-----------------|------------------|------------------|
|                                 | 1 April 2017     | Additions       | Disposals/ Adjustments | 31 March 2018    | 1 April 2017             | Additions       | Disposals/ Adjustments | 31 March 2018   | 31 March 2018    | 31 March 2017    |
| Freehold land [refer note (vi)] | 691.59           | 1,210.57        | 99.64                  | 1,802.52         | -                        | -               | -                      | -               | 1,802.52         | 691.59           |
| Buildings [refer note (vi)]     | 13,652.67        | 12.26           | 2,896.22               | 10,768.71        | 606.71                   | 431.16          | 136.82                 | 901.05          | 9,867.66         | 13,045.96        |
| Plant and machinery             | 17,023.53        | 313.44          | 403.44                 | 16,933.53        | 2,057.31                 | 2,023.61        | 57.53                  | 4,023.39        | 12,910.14        | 14,966.22        |
| Furniture and fixtures          | 1,755.12         | 29.20           | 117.21                 | 1,667.11         | 522.75                   | 473.73          | 34.25                  | 962.23          | 704.88           | 1,232.37         |
| Vehicles                        | 886.88           | 95.25           | 88.17                  | 893.96           | 276.78                   | 122.40          | 52.05                  | 347.13          | 546.83           | 610.10           |
| Office equipments               | 588.95           | 174.72          | 7.96                   | 755.71           | 295.72                   | 169.49          | 6.60                   | 458.61          | 297.10           | 293.23           |
| Aircraft and helicopter         | 6,029.54         | -               | -                      | 6,029.54         | 833.03                   | 415.95          | -                      | 1,248.98        | 4,780.56         | 5,196.51         |
| <b>Total</b>                    | <b>40,628.28</b> | <b>1,835.44</b> | <b>3,612.64</b>        | <b>38,851.08</b> | <b>4,592.30</b>          | <b>3,636.34</b> | <b>287.25</b>          | <b>7,941.39</b> | <b>30,909.69</b> | <b>36,035.98</b> |
| <b>Capital work-in-progress</b> | <b>2,807.72</b>  | <b>1,092.44</b> | <b>2,382.88</b>        | <b>1,517.28</b>  | -                        | -               | -                      | -               | <b>1,517.28</b>  | <b>2,807.72</b>  |



## Notes to the Standalone Financial Statements (Contd.)

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

(₹ in lakhs)

| Description                     | Gross block      |                 |                        |                  | Accumulated depreciation |                 |                        |                 | Net block        |                  |
|---------------------------------|------------------|-----------------|------------------------|------------------|--------------------------|-----------------|------------------------|-----------------|------------------|------------------|
|                                 | 1 April 2016     | Additions       | Disposals/ Adjustments | 31 March 2017    | 1 April 2016             | Additions       | Disposals/ Adjustments | 31 March 2017   | 31 March 2017    | 31 March 2016    |
| Freehold land                   | 691.59           | -               | -                      | 691.59           | -                        | -               | -                      | -               | 691.59           | 691.59           |
| Buildings                       | 13,221.49        | 448.88          | 17.70                  | 13,652.67        | 339.68                   | 268.64          | 1.61                   | 606.71          | 13,045.96        | 12,881.81        |
| Plant and machinery             | 16,598.77        | 443.02          | 18.26                  | 17,023.53        | 850.51                   | 1,208.46        | 1.66                   | 2,057.31        | 14,966.22        | 15,748.26        |
| Furniture and fixtures          | 1,761.13         | 8.31            | 14.32                  | 1,755.12         | 252.08                   | 271.97          | 1.30                   | 522.75          | 1,232.37         | 1,509.05         |
| Vehicles                        | 839.18           | 47.70           | -                      | 886.88           | 143.94                   | 132.84          | -                      | 276.78          | 610.10           | 695.24           |
| Office equipments               | 477.45           | 113.04          | 1.54                   | 588.95           | 166.58                   | 166.05          | 36.91                  | 295.72          | 293.23           | 310.87           |
| Aircraft and helicopter         | 12,291.70        | -               | 6,262.16               | 6,029.54         | 968.82                   | 691.81          | 827.60                 | 833.03          | 5,196.51         | 11,322.88        |
| <b>Total</b>                    | <b>45,881.31</b> | <b>1,060.95</b> | <b>6,313.98</b>        | <b>40,628.28</b> | <b>2,721.61</b>          | <b>2,739.77</b> | <b>869.08</b>          | <b>4,592.30</b> | <b>36,035.98</b> | <b>43,159.70</b> |
| <b>Capital work-in-progress</b> | <b>2,798.65</b>  | <b>184.91</b>   | <b>175.84</b>          | <b>2,807.72</b>  | -                        | -               | -                      | -               | <b>2,807.72</b>  | <b>2,798.65</b>  |

### (i) Contractual obligations

Refer note 51(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

### (ii) Capital work-in-progress

Capital work-in progress comprises expenditure for buildings, plant and machinery under course of construction and installation.

### (iii) Property plant and equipment pledged as security

Refer note 18 and 23 for information on property, plant and equipment pledged as security for borrowings by the Company.

### (iv) Reassessment of useful lives of assets

During the year, the Company has based on technical evaluation reassessed the remaining useful life of golf and club assets classified under building, plant and machinery. Due to this reassessment, useful lives have been reduced and accordingly, additional depreciation of ₹ 2,095.26 lakhs has been charged to the statement of profit and loss account.

### (v) Assets given under operation and management agreement

Out of total assets, assets amounting to ₹ 18,792.78 lakhs (31 March 2017: ₹ 21,063.93 lakhs) are given to DLF Golf Resorts Limited, a subsidiary company, under operation and management agreement.

### (vi) Assets not held in the name of Company

Freehold land includes gross block of ₹ 83.74 lakhs and net block of ₹ 83.74 lakhs in respect of 9 hole golf project, wherein the legal title of the land is in the name of one of the subsidiary companies and not in the name of the Company. On the said land parcels buildings having gross block of ₹ 5,968.70 lakhs and net block of ₹ 5,370.38 lakhs is constructed.

### (vii) Capitalised borrowing cost

No borrowing cost was capitalised.

#### 4. INVESTMENT PROPERTY

The changes in the carrying value of investment properties for the year ended 31 March 2018 are as follows:

(₹ in lakhs)

| Description                                      | Gross block       |                  |                         |                   | Accumulated amortisation |                 |                        |                  | Net block         |                   |
|--|-------------------|------------------|-------------------------|-------------------|--------------------------|-----------------|------------------------|------------------|-------------------|-------------------|
|  | 1 April 2017      | Additions        | Disposals/ Adjustments@ | 31 March 2018     | 1 April 2017             | Additions       | Disposals/ Adjustments | 31 March 2018    | 31 March 2018     | 31 March 2017     |
| Leasehold land [refer note (i)]                  | 52,774.88         | 10,058.74        | -                       | 62,833.62         | -                        | 1,363.15        | -                      | 1,363.15         | 61,470.47         | 52,774.88         |
| Freehold land [refer note (v)]                   | 31,200.79         | -                | (99.64)                 | 31,300.43         | -                        | -               | -                      | -                | 31,300.43         | 31,200.79         |
| Building and related equipments [refer note (v)] | 242,467.44        | 17,649.30        | (2,080.82)              | 262,197.56        | 9,523.05                 | 7,280.72        | (128.63)               | 16,932.40        | 245,265.16        | 232,944.39        |
| Furniture and fixtures                           | 1,819.04          | 37.81            | (125.48)                | 1,982.33          | 515.32                   | 450.14          | (31.59)                | 997.05           | 985.28            | 1,303.72          |
| <b>Sub-total (A)</b>                             | <b>328,262.15</b> | <b>27,745.85</b> | <b>(2,305.94)</b>       | <b>358,313.94</b> | <b>10,038.37</b>         | <b>9,094.01</b> | <b>(160.22)</b>        | <b>19,292.60</b> | <b>339,021.34</b> | <b>318,223.78</b> |
| Capital work-in-progress (B)**                   | 44,920.85         | 5,725.94         | 42,692.17               | 7,954.62          | -                        | -               | -                      | -                | 7,954.62          | 44,920.85         |
| <b>Total (A+B)</b>                               | <b>373,183.00</b> | <b>33,471.79</b> | <b>40,386.23</b>        | <b>366,268.56</b> | <b>10,038.37</b>         | <b>9,094.01</b> | <b>(160.22)</b>        | <b>19,292.60</b> | <b>346,975.96</b> | <b>363,144.63</b> |

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

(₹ in lakhs)

| Description                     | Gross block       |                  |                        |                   | Accumulated depreciation |                 |                        |                  | Net block         |                   |
|---------------------------------|-------------------|------------------|------------------------|-------------------|--------------------------|-----------------|------------------------|------------------|-------------------|-------------------|
|                                 | 1 April 2016      | Additions        | Disposals/ Adjustments | 31 March 2017     | 1 April 2016             | Additions       | Disposals/ Adjustments | 31 March 2017    | 31 March 2017     | 31 March 2016     |
| Leasehold land                  | 52,519.12         | 255.76           | -                      | 52,774.88         | -                        | -               | -                      | -                | 52,774.88         | 52,519.12         |
| Freehold land                   | 30,882.42         | 318.37           | -                      | 31,200.79         | -                        | -               | -                      | -                | 31,200.79         | 30,882.42         |
| Building and related equipments | 239,586.36        | 2,912.75         | 31.67                  | 242,467.44        | 3,135.25                 | 6,439.21        | 51.41                  | 9,523.05         | 232,944.39        | 236,451.11        |
| Furniture and fixtures          | 1,799.35          | 36.37            | 16.68                  | 1,819.04          | 251.90                   | 287.98          | 24.56                  | 515.32           | 1,303.72          | 1,547.45          |
| <b>Sub-total (A)</b>            | <b>324,787.25</b> | <b>3,523.25</b>  | <b>48.35</b>           | <b>328,262.15</b> | <b>3,387.15</b>          | <b>6,727.19</b> | <b>75.97</b>           | <b>10,038.37</b> | <b>318,223.78</b> | <b>321,400.10</b> |
| Capital work-in-progress (B)    | 37,112.77         | 13,022.50        | 5,214.42               | 44,920.85         | -                        | -               | -                      | -                | 44,920.85         | 37,112.77         |
| <b>Total (A+B)</b>              | <b>361,900.02</b> | <b>16,545.75</b> | <b>5,262.77</b>        | <b>373,183.00</b> | <b>3,387.15</b>          | <b>6,727.19</b> | <b>75.97</b>           | <b>10,038.37</b> | <b>363,144.63</b> | <b>358,512.87</b> |

\*\* Capital work-in-progress comprises expenditure for building and related equipments under course of construction and installation.

@ Adjustments includes, transfer of gross block of freehold land of ₹ 99.64 lakhs; building and related equipments of ₹ 2,080.82 lakhs and accumulated depreciation thereon of ₹ 128.63 lakhs; furniture and fixtures of ₹ 125.48 lakhs and accumulated depreciation thereon of ₹ 31.59 lakhs, from block of property plant and equipments to investment properties.

##### (i) Contractual obligations

Refer note 51(i) for disclosure of contractual commitments for the acquisition of investment properties.

##### (ii) Capitalised borrowing cost

The borrowing costs capitalised during the year ended 31 March 2018 was ₹ 380.30 lakhs (31 March 2017: ₹ 521.54 lakhs).

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

Refer note 18 and 23 for information on investment properties pledged as security by the Company.

##### (iv) Information regarding income and expenditure of Investment property

(₹ in lakhs)

|   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Rental income derived from investment properties  | 41,288.92     | 36,532.61     |
| Direct operating expenses (including repairs and maintenance) generating rental income*           | 1,048.26      | 987.69        |
| Direct operating expenses (including repairs and maintenance) that did not generate rental income | 76.66         | 19.90         |
| Profit arising from investment properties before depreciation and indirect expenses               | 40,164.00     | 35,525.02     |
| Less - depreciation   | 9,094.01      | 6,727.19      |
| Profit arising from investment properties before indirect expenses                                | 31,069.99     | 28,797.83     |

\* It includes sales promotion, fee & taxes, ground rent, repair and maintenance, printing & stationery, legal & professional, commission and brokerage & advertisement & publicity.

## Notes to the Standalone Financial Statements (Contd.)

The Company's investment properties consist of two class of assets i.e., commercial properties and retail mall, which has been determined based on the nature, characteristics and risks of each property.

### Fair value hierarchy and valuation technique

As at 31 March 2018 and 31 March 2017, the fair values of the properties are ₹ 761,725.40 lakhs and ₹ 730,614.78 lakhs, respectively. 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. A valuation model in accordance with that recommended by the international valuation standards committee had been applied. The Company obtains independent valuations for its investment properties annually and fair value measurement has been categorised as Level 3. The fair value has been arrived using discounted cash flow projections based on reliable estimates of future cash flows considering growth in rental of 3%-5% (31 March 2017: 3%-5%), long-term vacancy rate of 7.50%-9.50% (31 March 2017: 7.50%-9-50%) and discount rate of 11.50% (31 March 2017: 12%-15%).

In addition to this, the Company ("Developer") has a land parcels which is notified Special Economic Zone ("SEZ") and classified under investment property. The Developer has partially developed the SEZ under the co-development agreement between the Company and DLF Assets Private Limited ("DAPL" or "the Co-developer"), one of the subsidiary company and transferred completed bare shell buildings to DAPL. Remaining portion of such land is under development. As per the co-developer agreement, the underneath the buildings has been given on long-term lease to DAPL. The management has assessed that the value of such SEZ land classified under investment property, based on the prevailing circle rates, is higher than the book value. However, given the above arrangement and restriction on the sale of land in a SEZ as described under SEZ Rules 2006, the management considered carrying value aggregating to ₹ 13,214.25 lakhs (31 March 2017: ₹ 13,214.25 lakhs) to be a reasonable estimate of it's fair value.

### Reconciliation of fair value

(₹ in lakhs)

|                                     | Investment Properties |
|-------------------------------------|-----------------------|
| Opening balance as at 1 April 2017  | 730,614.78            |
| Fair value difference               | 31,110.62             |
| Disposal/ Adjustment                | -                     |
| Closing balance as at 31 March 2018 | <b>761,725.40</b>     |

### (v) Assets not held in the name of Company

Freehold land includes gross block of ₹ 1,254.44 lakhs and net block of ₹ 1,254.44 lakhs in respect of Magnolias club, Park Place & Amex tower projects. Wherein the legal title of the land is in the name of one of the subsidiary companies and not in the name of Company. On the said land parcels buildings having gross block of ₹ 15,269.97 lakhs and net block of ₹ 13,089.11 lakhs is constructed.

### (vi) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rental payable monthly. Refer Note no. 50 for details on further minimum lease rentals.

(₹ in lakhs)

| 5. OTHER INTANGIBLES ASSETS        |               |  |                  |
|------------------------------------|---------------|--|------------------|
|                                    | Softwares     | Rights under build, own, operate and transfer arrangement (Refer note below) | Total            |
| <b>Gross block</b>                 |               |  |                  |
| <b>Balance as at 1 April 2016</b>  | <b>129.63</b> | <b>17,536.16</b>   | <b>17,665.79</b> |
| Additions                          | 0.11          | -  | 0.11             |
| <b>Balance as at 31 March 2017</b> | <b>129.74</b> | <b>17,536.16</b>   | <b>17,665.90</b> |
| Additions                          | -             | -  | -                |
| Disposals/ adjustments             | -             | -  | -                |
| <b>Balance as at 31 March 2018</b> | <b>129.74</b> | <b>17,536.16</b>   | <b>17,665.90</b> |

(₹ in lakhs)

| <b>5. OTHER INTANGIBLES ASSETS (CONTD.)</b> |                  |   |                  |
|---|------------------|---|------------------|
|   | <b>Softwares</b> | <b>Rights under build, own, operate and transfer arrangement (Refer note below)</b> | <b>Total</b>     |
| <b>Accumulated amortisation</b>             |                  |   |                  |
| <b>Balance as at 1 April 2016</b>           | <b>50.74</b>     | <b>447.07</b>   | <b>497.81</b>    |
| Charge for the year                         | 10.08            | 421.83  | 431.91           |
| Disposals/ adjustments for the year         | -                | -   | -                |
| <b>Balance as at 31 March 2017</b>          | <b>60.82</b>     | <b>868.90</b>   | <b>929.72</b>    |
| Charge for the year                         | 4.76             | 462.43  | 467.19           |
| Disposals/ adjustments for the year         | (2.72)           | -   | (2.72)           |
| <b>Balance as at 31 March 2018</b>          | <b>62.86</b>     | <b>1,331.33</b>   | <b>1,394.19</b>  |
| <b>Net book value as at 31 March 2017</b>   | <b>68.92</b>     | <b>16,667.26</b>  | <b>16,736.18</b> |
| <b>Net book value as at 31 March 2018</b>   | <b>66.88</b>     | <b>16,204.83</b>  | <b>16,271.71</b> |

Note: The Company has acquired exclusive usage rights for 30 years under the build, own, operate and transfer scheme in respect of properties developed as automated multi-level car parking and commercial space and classified them under the "Intangible Assets - Rights under build, own, operate and transfer arrangement".

(₹ in lakhs)

| <b>6A. INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND PARTNERSHIP FIRMS^</b> |  |  |                                 |                                 |
|--|--|--|---------------------------------|---------------------------------|
|  | <b>No. of shares<br/>31 March 2018</b> | <b>No. of shares<br/>31 March 2017</b> | <b>Amount<br/>31 March 2018</b> | <b>Amount<br/>31 March 2017</b> |
| <b>In Unquoted equity shares*</b>  |  |  |                                 |                                 |
| <b>In Subsidiaries</b>   |  |  |                                 |                                 |
| DLF Info Park (Pune) Limited   | 50,000                                 | 50,000                                 | 893.91                          | 893.91                          |
| DLF Promenade Limited [refer note 49(b)]   | -                                      | 9,000                                  | -                               | 0.91                            |
| Breeze Constructions Private Limited   | 50,000,000                             | 50,000,000                             | 5,000.00                        | 5,000.00                        |
| Dalmia Promoters and Developers Private Limited  | 100,000                                | 100,000                                | 10.00                           | 10.00                           |
| DLF City Centre Limited [refer note 49(b)]   | -                                      | 100,000                                | -                               | 10.00                           |
| DLF Commercial Developers Limited  | 201,500                                | 201,500                                | 20.20                           | 20.20                           |
| DLF Cyber City Developers Limited [refer note 49(b)]~                                    | -                                      | 1,500,500,000                          | -                               | 304.42                          |
| DLF Estate Developers Limited~   | 5,102                                  | 5,102                                  | 27.19                           | 27.19                           |
| DLF Finvest Limited  | 3,000,000                              | 3,000,000                              | 300.00                          | 300.00                          |
| DLF Golf Resorts Limited~  | 400,000                                | 400,000                                | 44.59                           | 44.59                           |
| DLF Luxury Homes Limited   | 600,000,000                            | 599,599,500                            | 60,000.10                       | 59,959.95                       |
| DLF Home Developers Limited@~  | 93,703,764                             | 93,703,764                             | 439,018.74                      | 289,118.43                      |
| Lodhi Property Company Limited^^   | 11,612,627                             | 1,324,930,000                          | 132,495.65                      | 132,495.65                      |
| DLF Info Park Developers (Chennai) Limited   | 320,000,000                            | 320,000,000                            | 32,000.00                       | 32,000.00                       |
| DLF Phase-IV Commercial Developers Limited   | 400,000                                | 400,000                                | 40.06                           | 40.06                           |
| DLF Property Developers Limited  | 100,000                                | 100,000                                | 10.00                           | 10.00                           |
| DLF Projects Limited   | 4,288,500                              | 4,288,500                              | 5.00                            | 5.00                            |
| DLF Real Estate Builders Limited^^^^   | 110,396                                | 100,001                                | 15.60                           | 10.65                           |
| DLF Residential Builders Limited   | 100,000                                | 100,000                                | 10.00                           | 10.00                           |
| DLF Residential Developers Limited   | 100,000                                | 100,000                                | 10.00                           | 10.00                           |
| DLF Residential Partners Limited   | 100,000                                | 100,000                                | 10.00                           | 10.00                           |
| DLF South Point Limited  | 400,000                                | 400,000                                | 40.00                           | 40.00                           |
| DLF Universal Limited^^~   | 50,000                                 | 47,730                                 | 599.28                          | 599.05                          |
| DLF Utilities Limited\$~   | 107,074,641                            | 9,052,141                              | 41,149.66                       | 861.78                          |
| Eastern India Powertech Limited  | 69,320,037                             | 69,320,037                             | 6,932.00                        | 6,932.00                        |
| Edward Keventer (Successors) Private Limited   | 425,961,500                            | 425,961,500                            | 86,392.06                       | 86,392.06                       |
| Kavicon Partners Limited^^^^   | -                                      | 49,500                                 | -                               | 4.95                            |
| Paliwal Developers Limited   | 10,000                                 | 10,000                                 | 1.00                            | 1.00                            |

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>6A. INVESTMENT IN SUBSIDIARIES, ASSOCIATES, JOINT VENTURES AND PARTNERSHIP FIRMS^ (CONTD.)</b> |  |  |                                 |                                 |
|---|--|--|---------------------------------|---------------------------------|
|   | <b>No. of shares<br/>31 March 2018</b> | <b>No. of shares<br/>31 March 2017</b> | <b>Amount<br/>31 March 2018</b> | <b>Amount<br/>31 March 2017</b> |
| Paliwal Real Estate Limited   | 1,010,000                              | 1,010,000                              | 101.00                          | 101.00                          |
| DLF Builders and Developers Private Limited<br>(formerly SC Hospitality Private Limited)          | 5,600,000                              | 5,600,000                              | 560.00                          | 560.00                          |
| <b>Sub-total (A)</b>  |  |  | <b>805,686.04</b>               | <b>615,772.80</b>               |
| <b>In joint ventures</b>  |  |  |                                 |                                 |
| Joyous Housing Limited (face value of ₹ 100/- each)   | 37,500                                 | 37,500                                 | 6,109.56                        | 6,109.56                        |
| DLF Cyber City Developers Limited [refer note 49(b)]~   | 1,509,294,198                          | -                                      | 304.42                          | -                               |
| <b>Sub-total (B)</b>  |  |  | <b>6,413.98</b>                 | <b>6,109.56</b>                 |
| <b>In preference shares***##</b>  |  |  |                                 |                                 |
| <b>In subsidiaries, joint ventures and associates companies</b>                                   |  |  |                                 |                                 |
| DLF Promenade Limited [refer note 49(b)]  | -                                      | -                                      | -                               | 3.80                            |
| Caraf Builders & Constructions Private Limited  | -                                      | -                                      | 14,036.21                       | 14,036.21                       |
| DLF Cyber City Developers Limited   | -                                      | -                                      | 1,364.86                        | 1,364.86                        |
| Paliwal Developers Limited  | 4,000                                  | 4,000                                  | 3.70                            | 3.70                            |
| DLF Home Developers Limited   | 88,544,000                             | 88,544,000                             | 81,947.61                       | 81,947.61                       |
| DLF Estate Developers Limited   | 4,500                                  | 4,500                                  | 4.13                            | 4.13                            |
| DLF Real Estate Builders Limited  | 4,348                                  | 4,348                                  | 4.04                            | 2.99                            |
| DLF Projects Limited~   | 26,300,000                             | 26,300,000                             | 1,431.23                        | 1,431.23                        |
| <b>Sub-total (C)</b>  |  |  | <b>98,791.78</b>                | <b>98,794.53</b>                |
| <b>In Partnership firms (refer note 6D)</b>   |  |  |                                 |                                 |
| DLF Office Developers   |  |  | 3,383.38                        | 2,394.37                        |
| DLF Gayatri Developers  |  |  | 10.00                           | 10.00                           |
| DLF Green Valley  |  |  | 1,000.00                        | 1,000.00                        |
| DLF Commercial Projects Corporation   |  |  | 50.54                           | 50.54                           |
| Rational Builders and Developers  |  |  | 32.00                           | 32.00                           |
| <b>Sub-total (D)</b>  |  |  | <b>4,475.92</b>                 | <b>3,486.91</b>                 |
| <b>In other investments</b>   |  |  |                                 |                                 |
| <b>In Associates</b>  |  |  |                                 |                                 |
| DLF Homes Panchkula Private Limited~  |  |  | 10.30                           | 10.30                           |
| <b>Sub-total (E)</b>  |  |  | <b>10.30</b>                    | <b>10.30</b>                    |
| <b>In Subsidiaries</b>  |  |  |                                 |                                 |
| DLF Recreational Foundation Limited~  |  |  | 1.25                            | 1.25                            |
| DLF Southern Towns Private Limited~   |  |  | 8.35                            | 8.35                            |
| DLF Garden City Indore Private Limited~   |  |  | 11.77                           | 11.77                           |
| <b>Sub-total (F)</b>  |  |  | <b>21.37</b>                    | <b>21.37</b>                    |
| <b>Total (A+B+C+D+E+F)</b>  |  |  | <b>915,399.39</b>               | <b>724,195.47</b>               |
| <b>Current</b>  |  |  | -                               | -                               |
| <b>Non-current</b>  |  |  | <b>915,399.39</b>               | <b>724,195.47</b>               |
| Aggregate amount of book value and market value of quoted investments                             |  |  | -                               | -                               |
| Aggregate amount of unquoted investments  |  |  | <b>915,399.39</b>               | <b>724,195.47</b>               |
| Aggregate amount of impairment in value of investments  |  |  | -                               | -                               |

^ All the investment in equity shares of subsidiaries, associates and joint ventures are stated at cost as per Ind AS 27 'Separate Financial Statements'.

\* All equity shares of ₹ 10/- each unless otherwise stated.

- \*\* All are redeemable instruments and having face value of ₹ 100/- each unless otherwise stated and are measured at amortised cost.
- ## These are measured at amortised cost.
- ^^ During the year, DLF Hotel Holdings Limited (DHHL) got merged with Lodhi Property Company Limited (LPCL) and accordingly, the Company's investments in DHHL has been reflected as investment in LPCL.
- ^^^ In previous year, Real estate undertaking of DLF Universal Limited have been merged with DLF Home Developers Limited.
- ~ These investments are on account of or includes the investment booked for subsidiaries on account of stock options issued to employees of those subsidiaries.
- @ In previous year out of total shares, 26,578,070 shares are partly paid up (face value of ₹ 10/- each, paid up ₹ 7/- each).
- ^^^ During the year, Kavicon Partners Limited got merged with DLF Real Estate Builders Limited.
- \$ During the year, the Company has purchased further stake in one of its subsidiary companies DLF Utilities Limited for a consideration of ₹ 40,287.88 lakhs. Pursuant to this, DLF Utilities Limited have become 100% subsidiary of the Company. The management has obtained valuation carried by independent valuers and basis on expert legal opinion, is of the view that the valuation is in compliance of the Income-tax Act, 1961. The above transaction is at arm's length and tax provision made there against are adequate.

(₹ in lakhs)

| <b>6B. INVESTMENTS AT FAIR VALUE THROUGH OCI (FULLY PAID)</b>        |  |  |                                 |                                 |
|--|--|--|---------------------------------|---------------------------------|
|  | <b>No. of shares<br/>31 March 2018</b> | <b>No. of shares<br/>31 March 2017</b> | <b>Amount<br/>31 March 2018</b> | <b>Amount<br/>31 March 2017</b> |
| <b>In other companies#</b>   |  |  |                                 |                                 |
| <b>Unquoted equity shares</b>  |  |  |                                 |                                 |
| Alankrit Estates Limited   | 3                                      | 3                                      | 0.05                            | -\$                             |
| DLF Brands Limited   | 8,000,000                              | 8,000,000                              | 460.00                          | 848.80                          |
| Kirtimaan Builders Limited   | 2                                      | 2                                      | 0.37                            | -\$                             |
| Northern India Theatres Private Limited (face value of ₹ 100/- each) | 90                                     | 90                                     | -                               | 0.09                            |
| Realest Builders and Services Private Limited                        | 50,012                                 | 50,012                                 | 5.03                            | 5.03                            |
| Ujagar Estates Limited   | 2                                      | 2                                      | 0.51                            | -\$                             |
| <b>Sub-total (A)</b>   |  |  | <b>465.96</b>                   | <b>853.92</b>                   |

# All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVOCI') since these are not held for trading purposes and thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. No dividends have been received from such investments during the year.

\$ Rounded off to ₹ Nil.

(₹ in lakhs)

| <b>In mutual funds (unquoted)##</b>                                   | <b>No. of units<br/>31 March 2018</b> | <b>No. of units<br/>31 March 2017</b> | <b>Amount<br/>31 March 2018</b> | <b>Amount<br/>31 March 2017</b> |
|---|---------------------------------------|---------------------------------------|---------------------------------|---------------------------------|
| Faering Capital India Evolving Fund                                   | 325,017                               | 371,638                               | 6,482.36                        | 5,967.74                        |
| Faering Capital India Evolving Fund-II                                | 250,000                               | 250,000                               | 2,785.00                        | 2,500.00                        |
| <b>Sub-total (B)</b>  |                                       |                                       | <b>9,267.36</b>                 | <b>8,467.74</b>                 |
| <b>Total (A+B)</b>  |                                       |                                       | <b>9,733.32</b>                 | <b>9,321.66</b>                 |
| <b>Current</b>  |                                       |                                       | -                               | -                               |
| <b>Non-current</b>  |                                       |                                       | <b>9,733.32</b>                 | <b>9,321.66</b>                 |
| Aggregate amount of book value and market value of quoted investments |                                       |                                       | -                               | -                               |
| Aggregate amount of unquoted investments                              |                                       |                                       | <b>9,733.32</b>                 | <b>9,321.66</b>                 |
| Aggregate amount of impairment in value of investments                |                                       |                                       | -                               | -                               |

## These investments are measured at fair value through profit and loss (FVTPL).

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>6C. CURRENT INVESTMENTS</b>  |                                       |                                       |                                 |                                 |
|---|---------------------------------------|---------------------------------------|---------------------------------|---------------------------------|
|   | <b>No. of units<br/>31 March 2018</b> | <b>No. of units<br/>31 March 2017</b> | <b>Amount<br/>31 March 2018</b> | <b>Amount<br/>31 March 2017</b> |
| <b>In mutual funds (quoted) (fully paid)#</b>                                   |                                       |                                       |                                 |                                 |
| Aditya Birla Sun Life Cash Plus (Face Value of ₹ 100/- each)                    | 11,006,778                            | -                                     | 11,036.80                       | -                               |
| Aditya Birla Sun Life Enhanced Arbitrage Fund (Face Value of ₹ 10/- each)       | 22,565,825                            | -                                     | 2,491.52                        | -                               |
| Axis Enhanced Arbitrage Fund (Face Value of ₹ 10/- each)                        | 45,728,919                            | -                                     | 4,998.45                        | -                               |
| Axis Liquid Fund (Face Value of ₹ 1000/- each)                                  | 402,633                               | -                                     | 4,030.18                        | -                               |
| DSP BlackRock Liquidity Fund (Face Value of ₹ 1000/- each)                      | 907,674                               | -                                     | 9,085.21                        | -                               |
| Franklin India Treasury Management Accounts (Face Value of ₹ 1000/- each)       | 633,491                               | -                                     | 6,350.12                        | -                               |
| ICICI Prudential Equity Arbitrage Fund (Face Value of ₹ 10/- each)              | 16,848,518                            | -                                     | 2,433.57                        | -                               |
| ICICI Prudential Money Market Fund (Face Value of ₹ 100/- each)                 | 4,996,903                             | -                                     | 5,007.04                        | -                               |
| Reliance Arbitrage Advantage Fund (Face Value of ₹ 10/- each)                   | 22,994,426                            | -                                     | 2,496.94                        | -                               |
| Reliance Liquid Fund-Cash Plan (Face Value of ₹ 1000/- each)                    | 1,216,381                             | -                                     | 13,560.01                       | -                               |
| SBI Arbitrage Opportunity Fund (Face Value of ₹ 10/- each)                      | 70,584,672                            | -                                     | 9,987.10                        | -                               |
| SBI Premier Liquid Fund (Face Value of ₹ 1000/- each)                           | 1,297,357                             | -                                     | 13,015.73                       | -                               |
| UTI Money Market Fund (Face Value of ₹ 1000/- each)                             | 299,737                               | -                                     | 3,007.52                        | -                               |
| UTI Spread Fund (Face Value of ₹ 10/- each)                                     | 44,745,787                            | -                                     | 7,459.57                        | -                               |
| <b>Total</b>  |                                       |                                       | <b>94,959.76</b>                | <b>-</b>                        |
| # These investments are measured at fair value through profit and loss (FVTPL). |                                       |                                       |                                 |                                 |
| Aggregate amount of book value and market value of quoted investments           |                                       |                                       | 94,959.76                       | -                               |
| Aggregate amount of unquoted investments  |                                       |                                       | -                               | -                               |
| Aggregate amount of impairment in value of investments                          |                                       |                                       | -                               | -                               |

(₹ in lakhs)

| <b>6D. DETAIL OF INVESTMENTS IN PARTNERSHIP FIRM</b>     |   |   |  |  |
|--|---|---|--|--|
|  | <b>Profit sharing<br/>ratio (%)<br/>31 March 2018</b> | <b>Profit sharing<br/>ratio (%)<br/>31 March 2017</b> | <b>Amount of<br/>investment in<br/>capital<br/>31 March 2018</b> | <b>Amount of<br/>investment in<br/>capital<br/>31 March 2017</b> |
| <b>Investment in DLF Commercial Projects Corporation</b> |   |   |  |  |
| DLF Limited  | 72.20   | 72.20   | 50.54  | 50.54  |
| DLF Home Developers Limited                              | 24.80   | 24.80   | 17.36  | 17.36  |
| DLF Phase-IV Commercial Developers Limited               | 1.00  | 1.00  | 0.70   | 0.70   |
| DLF Residential Builders Limited                         | 1.00  | 1.00  | 0.70   | 0.70   |
| DLF Property Developers Limited                          | 1.00  | 1.00  | 0.70   | 0.70   |
| <b>Total capital of the firm</b>                         | <b>100.00</b>   | <b>100.00</b>   | <b>70.00</b>   | <b>70.00</b>   |
| <b>Investment in DLF Office Developers</b>               |   |   |  |  |
| DLF Limited  | 85.00   | 85.00   | 3,383.38   | 2,394.37   |
| Kirtimaan Builders Limited                               | 5.00  | 5.00  | 380.93   | 322.75   |
| Ujagar Estates Limited                                   | 5.00  | 5.00  | 503.63   | 445.46   |
| Alankrit Estates Limited                                 | 5.00  | 5.00  | 267.29   | 209.11   |
| <b>Total capital of the firm</b>                         | <b>100.00</b>   | <b>100.00</b>   | <b>4,535.23</b>  | <b>3,371.69</b>  |
| <b>Investment in Rational Builders and Developers</b>    |   |   |  |  |
| DLF Limited  | 86.00   | 86.00   | 32.00  | 32.00  |
| Kirtimaan Builders Limited                               | 5.00  | 5.00  | 1.00   | 1.00   |
| DLF Home Developers Limited                              | 6.00  | 6.00  | 2.00   | 2.00   |
| DLF Phase-IV Commercial Developers Limited               | 1.00  | 1.00  | 1.00   | 1.00   |

(₹ in lakhs)

| 6D. DETAIL OF INVESTMENTS IN PARTNERSHIP FIRM (CONTD.) |   |   |  |  |
|--|---|---|--|--|
|  | Profit sharing ratio (%)<br>31 March 2018 | Profit sharing ratio (%)<br>31 March 2017 | Amount of investment in capital<br>31 March 2018 | Amount of investment in capital<br>31 March 2017 |
| DLF Property Developers Limited                        | 1.00                                      | 1.00                                      | 1.00   | 1.00   |
| DLF Residential Builders Limited                       | 1.00                                      | 1.00                                      | 1.00   | 1.00   |
| <b>Total capital of the firm</b>                       | <b>100.00</b>                             | <b>100.00</b>                             | <b>38.00</b>                                     | <b>38.00</b>                                     |
| <b>Investment in DLF Gayatri Developers</b>            |   |   |  |  |
| DLF Limited  | 46.00                                     | 46.00                                     | 10.00  | 10.00  |
| Livana Builders & Developers Private Limited           | 2.00                                      | 2.00                                      | 2,205.11   | 2,205.11   |
| Latona Builders & Contructions Private Limited         | 2.00                                      | 2.00                                      | 1,152.60   | 1,152.60   |
| Chamundeswari Builders Private Limited                 | 2.50                                      | 2.50                                      | 4,655.47   | 4,655.47   |
| Gayatri Property Venture Private Limited               | 47.50                                     | 47.50                                     | 10.00  | 10.00  |
| <b>Total capital of the firm</b>                       | <b>100.00</b>                             | <b>100.00</b>                             | <b>8,033.18</b>                                  | <b>8,033.18</b>                                  |
| <b>Investment in DLF Green Valley</b>                  |   |   |  |  |
| DLF Limited  | 50.00                                     | 50.00                                     | 1,000.00   | 1,000.00   |
| Vatika Dwellers Limited                                | 50.00                                     | 50.00                                     | 1,000.00   | 1,000.00   |
| <b>Total capital of the firm</b>                       | <b>100.00</b>                             | <b>100.00</b>                             | <b>2,000.00</b>                                  | <b>2,000.00</b>                                  |

(₹ in lakhs)

| 7. LOANS  |                  |                  |                   |                  |
|---|------------------|------------------|-------------------|------------------|
|   | Non-current      |                  | Current           |                  |
| (Unsecured, considered good unless otherwise stated)                              | 31 March 2018    | 31 March 2017    | 31 March 2018     | 31 March 2017    |
| <b>Loan and advances to related parties (refer note 47)</b>                       |                  |                  |                   |                  |
| Due from subsidiary companies#  |                  |                  |                   |                  |
| Considered good   | -                | 693.04           | 181,608.38        | 38,866.66        |
| Considered doubtful   | -                | -                | 502.43            | -                |
| Due from firms in which the Company and/ or its subsidiary companies are partners | -                | -                | 51,721.95         | 10,300.17        |
| Due from Directors or entities in which key management personnel are interested   | -                | -                | 2,341.65          | 2,342.25         |
| Advances to joint ventures and associates   |                  |                  |                   |                  |
| Considered good   | 21,782.11        | 28,270.61        | 2,778.16          | 5,860.18         |
| Considered doubtful   | -                | 19,125.93        | -                 | -                |
| Amount due on redeemable preference shares  | 21,902.57        | 19,227.93        | -                 | -                |
| <b>Loans to others:</b>   | <b>43,684.68</b> | <b>67,317.51</b> | <b>238,952.57</b> | <b>57,369.26</b> |
| Security deposits*  | 2,084.20         | 1,322.62         | 368.12            | 437.54           |
| Other loans   |                  |                  |                   |                  |
| Loan to other parties   | 1,306.33         | 1,350.10         | 114.58            | 103.94           |
| Loan to employees   | -                | 330.00           | 525.17            | 717.42           |
|   | <b>3,390.53</b>  | <b>3,002.72</b>  | <b>1,007.87</b>   | <b>1,258.90</b>  |
| Less: Allowance for expected credit losses  | -                | 19,125.93        | 502.43            | -                |
|   | <b>47,075.21</b> | <b>51,194.30</b> | <b>239,458.01</b> | <b>58,628.16</b> |

# Above loans carries interest at the rate of 11.50% (31 March 2017: 13.50%). These loans generate fixed interest income for the Company. The carrying value may be affected by change in credit risk of the party.

\* Due from related party ₹ 364.47 lakhs (31 March 2017: ₹ 269.52 lakhs).



Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>8. OTHER FINANCIAL ASSET</b>   |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | <b>Non-current</b>   |                      | <b>Current</b>       |                      |
| <b>(Unsecured, considered good unless stated otherwise)</b>             | <b>31 March 2018</b> | <b>31 March 2017</b> | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Derivative instruments at fair value through OCI*                       | 4,514.69             | 5,168.00             | -                    | -                    |
| Unbilled revenue#   | -                    | -                    | 136,953.16           | 148,830.06           |
| Due from entities in which key management personnel are interested      | -                    | -                    | 31.63                | -                    |
| Amount recoverable against sale of fixed assets from subsidiary company | -                    | -                    | 8,870.05             | 9,437.31             |
| Advance recoverable in cash   |                      |                      |                      |                      |
| Considered good   | 366.38               | 1,407.79             | 17,238.37            | 9,627.71             |
| Considered doubtful   | 5,203.17             | 4,305.65             | -                    | 904.98               |
|   | 10,084.24            | 10,881.44            | 163,093.21           | 168,800.06           |
| Less: Allowance for expected credit losses                              | 5,203.17             | 4,305.65             | -                    | 904.98               |
|   | 4,881.07             | 6,575.79             | 163,093.21           | 167,895.08           |

\* Derivative instruments at fair value through OCI reflect the positive change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast payments for External Commercial Borrowings taken by the Company in USD.

# Due from related party ₹ 45,414.73 lakhs (31 March 2017: ₹ 58,619.81 lakhs).

(₹ in lakhs)

| <b>9. DEFERRED TAX ASSETS (NET)</b>  |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| <b>Deferred tax asset:</b>   |                      |                      |
| Expected credit loss of financial assets/ impairment of non-financial asset                                    | 3,538.19             | 8,578.20             |
| Provision for employee benefits  | 1,431.79             | 1,070.19             |
| Interest expense (adjustment arising on account of Income Computation and Disclosure Standards)                | 9,677.75             | 9,584.70             |
| Cash flow hedge reserve  | 3,060.60             | 3,124.16             |
| Unabsorbed business losses   | 155,174.07           | 166,548.23           |
| Fair value of equity instruments   | 78.23                | -                    |
| <b>Gross deferred tax asset</b>  | <b>172,960.63</b>    | <b>188,905.48</b>    |
| <b>Deferred tax liability:</b>   |                      |                      |
| Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation | 7,888.57             | 7,264.78             |
| Deduction claimed under Section 24(b) of the Income-tax Act, 1961  | 9,876.46             | 7,660.97             |
| Financial instruments measured at amortised cost   | 7,579.57             | 6,609.39             |
| Fair value of equity instruments   | -                    | 11.27                |
| <b>Gross deferred tax liability</b>  | <b>25,344.60</b>     | <b>21,546.41</b>     |
| <b>Net Deferred tax assets#</b>  | <b>147,616.03</b>    | <b>167,359.07</b>    |
| Minimum alternative tax credit entitlement*  | 14,823.07            | 14,823.07            |
| <b>Deferred tax assets (net) (including MAT credit entitlement)</b>  | <b>162,439.10</b>    | <b>182,182.14</b>    |
| <b>Reconciliation of deferred tax assets:</b>  |                      |                      |
| <b>Opening balance as of 1 April</b>   | <b>167,359.07</b>    | 204,064.07           |
| Tax income/ (expense) during the year recognised in profit or loss   | (19,143.65)          | (37,214.00)          |
| Tax income/ (expense) during the year recognised in OCI  | (599.39)             | 509.00               |
| <b>Closing balance as at 31 March</b>  | <b>147,616.03</b>    | <b>167,359.07</b>    |

\* The asset of ₹ 14,823.07 lakhs (31 March 2017: ₹ 14,823.07 lakhs) recognized by the Company as 'MAT credit entitlement' represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of Section 115JAA of the Income-tax Act, 1961. The management, based on the present trend of profitability and also the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize MAT credit assets.

# Deferred tax asset is recognized on unabsorbed depreciation and carry forward of losses to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unabsorbed depreciation and carried forward tax losses can be utilised. The Company has tax losses of ₹ 213,330.75 lakhs (including business loss of ₹ 1,242.34 lakhs); house property loss of ₹ 2,537.21 lakhs; and capital losses of ₹ 2,09,551.20 lakhs that are available for offsetting for eight years against further taxable profits. Majority of these losses will expire in March 2024 and March 2025. The Company has not recognised deferred tax asset in respect of capital losses of ₹ 2,09,551.20 lakhs as there is no reasonable certainty supported by convincing evidences of their recoverability in the near future. If the Company was also to recognise all unrecognised deferred tax assets, the profit would increase by ₹ 47,945.32 lakhs.

#### Movement in deferred tax assets

(₹ in lakhs)

| Particulars  | 31 March 2017     | Recognised in OCI | Recognised in profit and loss | 31 March 2018     |
|--|-------------------|-------------------|-------------------------------|-------------------|
| <b>Assets</b>  |                   |                   |                               |                   |
| Expected credit loss of financial assets/ impairment of non-financial asset    | 8,578.20          | -                 | (5,040.01)                    | 3,538.19          |
| Provision for employee benefits  | 1,070.19          | (19.91)           | 381.51                        | 1,431.79          |
| Interest expense (adjustment arising on account of ICDS)                       | 9,584.70          | -                 | 93.05                         | 9,677.75          |
| Cash flow hedge reserve  | 3,124.16          | (668.98)          | 605.42                        | 3,060.60          |
| Unabsorbed business losses   | 166,548.23        | -                 | (11,374.16)                   | 155,174.07        |
| Fair value of equity instruments   | -                 | 89.50             | (11.27)                       | 78.23             |
|  | <b>188,905.48</b> | <b>(599.39)</b>   | <b>(15,345.46)</b>            | <b>172,960.63</b> |
| <b>Liability</b>   |                   |                   |                               |                   |
| Property, plant and equipment, investment property and other intangible assets | 7,264.78          | -                 | 623.79                        | 7,888.57          |
| Deduction claimed under Section 24(b) of the Income-tax Act, 1961              | 7,660.97          | -                 | 2,215.49                      | 9,876.46          |
| Financial instruments measured at amortised cost                               | 6,609.39          | -                 | 970.18                        | 7,579.57          |
| Fair value of equity instruments   | 11.27             | -                 | (11.27)                       | -                 |
| <b>Sub-total</b>   | <b>21,546.41</b>  | <b>-</b>          | <b>3,798.19</b>               | <b>25,344.60</b>  |
|  | <b>167,359.07</b> | <b>(599.39)</b>   | <b>(19,143.65)</b>            | <b>147,616.03</b> |

(₹ in lakhs)

| 10. NON-CURRENT TAX ASSETS (NET)            |                  |                  |
|---|------------------|------------------|
|   | 31 March 2018    | 31 March 2017    |
| Advance income tax paid (net of provisions) | 51,228.31        | 40,907.54        |
|   | <b>51,228.31</b> | <b>40,907.54</b> |

(₹ in lakhs)

| 11. OTHER ASSETS                                     |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
| (Unsecured, considered good unless stated otherwise) | Non-current      |                  | Current          |                  |
|  | 31 March 2018    | 31 March 2017    | 31 March 2018    | 31 March 2017    |
| Capital advances                                     | 6.84             | 17.53            | -                | -                |
| Advances recoverable in kind                         |                  |                  |                  |                  |
| Secured, considered good                             | -                | -                | 2,913.61         | 9,543.33         |
| Unsecured  |                  |                  |                  |                  |
| Considered good*                                     | 236.32           | 236.32           | 11,599.97        | 1,258.79         |
| Considered doubtful                                  | 118.78           | 118.78           | -                | -                |
| Advance recoverable from related parties             | -                | -                | 1,736.09         | 1,713.12         |
| Prepaid expense                                      | 121.32           | 711.95           | 2,572.25         | 2,119.89         |
| Deposit with statutory authorities under protest     | 63,000.00        | 63,016.12        | -                | -                |
| Balance with statutory authorities                   | -                | -                | 10,538.42        | 3,897.91         |
| Advance for land purchase                            |                  |                  |                  |                  |
| Considered good                                      | 3,282.58         | 5,434.44         | 255.06           | 1,203.67         |
| Considered doubtful                                  | 2,000.00         | -                | 10.00            | 2.55             |
|  | <b>68,765.84</b> | <b>69,535.14</b> | <b>29,625.40</b> | <b>19,739.26</b> |
| Less: Allowance for expected credit losses           | 2,118.78         | 118.78           | 10.00            | 2.55             |
|  | <b>66,647.06</b> | <b>69,416.36</b> | <b>29,615.40</b> | <b>19,736.71</b> |

\* Due from related party ₹ 103.10 lakhs (31 March 2017: ₹ 23.23 lakhs).

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>12. INVENTORIES**</b>                           |                      |                      |
|--|----------------------|----------------------|
| (Valued at lower of cost and net realisable value) | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Land, plots and construction work-in-progress      | <b>509,175.59</b>    | 515,929.13           |
| Development rights                                 | <b>463,988.68</b>    | 451,408.67           |
|  | <b>973,164.27</b>    | <b>967,337.80</b>    |

\*\* During the year ended 31 March 2018, ₹ 3,661.65 lakhs (31 March 2017: ₹ Nil) was recognised as expense for inventories carried at net realisable value.

(₹ in lakhs)

| <b>13. TRADE RECEIVABLES#</b>                        |                      |                      |
|--|----------------------|----------------------|
| (Unsecured, considered good unless otherwise stated) | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Due from related parties                             | <b>1,531.15</b>      | 641.95               |
| Due from Directors                                   | <b>534.10</b>        | 281.20               |
| Others   |                      |                      |
| Secured, considered good                             | <b>2,587.96</b>      | 3,129.76             |
| Unsecured, considered good                           | <b>35,837.79</b>     | 55,550.98            |
| Unsecured, considered doubtful                       | <b>2,290.92</b>      | 162.20               |
|  | <b>42,781.92</b>     | 59,766.09            |
| Less: Allowance for expected credit loss             | <b>2,290.92</b>      | 162.20               |
|  | <b>40,491.00</b>     | <b>59,603.89</b>     |

# Trade receivables have been pledged as security for borrowings, refer note 18 for details.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer note 47.

(₹ in lakhs)

| <b>14. CASH AND CASH EQUIVALENTS</b>                        |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Cash in hand  | <b>29.24</b>         | 36.03                |
| Balances with banks   |                      |                      |
| - In current accounts*                                      | <b>19,621.13</b>     | 61,106.89            |
| - Deposits with original maturity of less than three months | <b>70,000.00</b>     | 20,000.00            |
|   | <b>89,650.37</b>     | <b>81,142.92</b>     |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

\* It includes ₹ 200.42 lakhs (31 March 2017: ₹ Nil) held in escrow account for a project registered under Real Estate (Regulation and Development) Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects.

(₹ in lakhs)

| <b>15. OTHER BANK BALANCES</b>   |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Earmarked bank balances  |                      |                      |
| Unpaid dividend bank account   | <b>367.38</b>        | 298.30               |
| Fixed deposits maturity for more than 3 months but less than 12 months |                      |                      |
| Pledged/ under lien/ earmarked   | <b>7,245.14</b>      | 7,924.61             |
| Others   | <b>3,621.91</b>      | 2,884.83             |
|  | <b>11,234.43</b>     | <b>11,107.74</b>     |

### Note:

(i) ₹ 6,845.14 lakhs (31 March 2017: ₹ 6,448.30 lakhs) represents restricted deposits, as these are pledged in lieu of the on going legal cases against the Company.

(ii) The bank balances include the margin money amounting to ₹ 400.00 lakhs (31 March 2017: ₹ 1,476.32 lakhs) against the bank borrowings.

## Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in lakhs)

|   | 31 March 2018       | 31 March 2017       |
|---|---------------------|---------------------|
| Cash and cash equivalents   | 89,650.37           | 81,142.92           |
| Book overdraft  | (400.21)            | (202.36)            |
| Liquid investment   | 94,959.76           | -                   |
| Current borrowings  | (95,599.72)         | (300,775.37)        |
| Non-current borrowings (including interest accrued but not due on borrowings) | (482,187.61)        | (613,953.06)        |
|   | <b>(393,577.41)</b> | <b>(833,787.87)</b> |

(₹ in lakhs)

| Particulars                         | Cash and bank overdraft | Liquid investment | Non-current borrowings | Current borrowings  | Total               |
|-------------------------------------|-------------------------|-------------------|------------------------|---------------------|---------------------|
| <b>Net debt as at 1 April 2017</b>  | <b>80,940.56</b>        | -                 | <b>(613,953.06)</b>    | <b>(300,775.37)</b> | <b>(833,787.87)</b> |
| Cash flows                          | 8,309.60                | 95,082.50         | 138,266.06             | 205,175.65          | 446,833.81          |
| Foreign exchange adjustments        | -                       | -                 | 982.71                 | -                   | 982.71              |
| Interest expenses                   | -                       | -                 | (61,072.74)            | (41,276.23)         | (102,348.97)        |
| Interest paid                       | -                       | -                 | 51,768.66              | 41,276.23           | 93,044.89           |
| Other non-cash movement             |                         |                   |                        |                     |                     |
| Transaction cost adjustment         | -                       | -                 | 1,820.76               | -                   | 1,820.76            |
| Fair value adjustment               | -                       | (122.74)          | -                      | -                   | (122.74)            |
| <b>Net debt as at 31 March 2018</b> | <b>89,250.16</b>        | <b>94,959.76</b>  | <b>(482,187.61)</b>    | <b>(95,599.72)</b>  | <b>(393,577.41)</b> |

(₹ in lakhs)

| 16A. EQUITY SHARE CAPITAL  |               |               |
|--|---------------|---------------|
|  | 31 March 2018 | 31 March 2017 |
| <b>Authorised share capital</b>  |               |               |
| 4,997,500,000 (31 March 2017: 2,497,500,000) equity shares of ₹ 2/- each               | 99,950.00     | 49,950.00     |
| <b>Issued and subscribed capital</b>   |               |               |
| 1,791,749,275 (31 March 2017: 1,791,685,337) equity shares of ₹ 2/- each               | 35,834.99     | 35,833.71     |
| <b>Paid-up capital</b>   |               |               |
| 1,784,067,028 (31 March 2017: 1,784,003,090) equity shares of ₹ 2/- each fully paid-up | 35,681.34     | 35,680.06     |

### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

| i) Authorised equity shares          | No. of shares | No. of shares |
|--------------------------------------|---------------|---------------|
| Balance at the beginning of the year | 2,497,500,000 | 2,497,500,000 |
| Increased during the year            | 2,500,000,000 | -             |
| Balance at the end of the year       | 4,997,500,000 | 2,497,500,000 |

During the year ended 31 March 2018, the authorised share capital was increased by ₹ 50,000 lakhs i.e. 2,500,000,000 equity shares of ₹ 2/- each.

| ii) Issued equity shares  | 31 March 2018        |                  | 31 March 2017        |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | Nos.                 | (₹ in lakhs)     | Nos.                 | (₹ in lakhs)     |
| Equity shares at the beginning of the year                          | 1,791,685,337        | 35,833.71        | 1,791,398,329        | 35,827.97        |
| Add: Shares issued on exercise of Employee Stock Option Plan (ESOP) | 63,938               | 1.28             | 287,008              | 5.74             |
| <b>Equity shares at the end of the year</b>                         | <b>1,791,749,275</b> | <b>35,834.99</b> | <b>1,791,685,337</b> | <b>35,833.71</b> |

## Notes to the Standalone Financial Statements (Contd.)

| iii) Paid-up equity shares  | 31 March 2018        |                  | 31 March 2017        |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | Nos.                 | (₹ in lakhs)     | Nos.                 | (₹ in lakhs)     |
| Equity shares at the beginning of the year                          | 1,784,003,090        | 35,680.06        | 1,783,716,082        | 35,674.32        |
| Add: Shares issued on exercise of Employee Stock Option Plan (ESOP) | 63,938               | 1.28             | 287,008              | 5.74             |
| <b>Equity shares at the end of the year</b>                         | <b>1,784,067,028</b> | <b>35,681.34</b> | <b>1,784,003,090</b> | <b>35,680.06</b> |

### b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31 March 2018, the amount of interim dividend recognized as distributions to equity shareholders is ₹ 1.20 per share (31 March 2017: ₹ Nil).

During the year ended 31 March 2018, the amount of final dividend recognized as distributions to equity shareholders is ₹ Nil (31 March 2017: ₹ 2/- per share).

### c) Details of shareholders holding more than 5% shares in the Company

| Name of Shareholder                                 | 31 March 2018 |              | 31 March 2017 |              |
|---|---------------|--------------|---------------|--------------|
|   | No. of shares | %age holding | No. of shares | %age holding |
| <b>Equity shares of ₹ 2/- each fully paid-up</b>    |               |              |               |              |
| Panchsheel Investment Company**                     | -             |              | 312,110,500   | 17.49        |
| Sidhant Housing and Development Company**           | -             |              | 237,209,700   | 13.30        |
| Kohinoor Real Estates Company**                     | -             |              | 95,353,400    | 5.34         |
| Madhur Housing and Development Company**            | -             |              | 93,819,600    | 5.26         |
| Yashika Properties and Development Company**        | -             |              | 92,080,400    | 5.16         |
| Prem Traders LLP                                    | 90,059,200    | 5.05         | 90,059,200    | 5.05         |
| Rajdhani Investments & Agencies Private Limited\$\$ | 964,680,080   | 54.07        | -             |              |

\$\$ During the year, pursuant to scheme of arrangement and approval of National Company Law Tribunal, companies marked with \*\* got merged with Rajdhani Investments & Agencies Private Limited and accordingly, it became holding company of the Company.

### d) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

#### i) Shares issued under Employee Stock Option Plan (ESOP) during the financial year 2013-14 to 2017-18

The Company has issued total 4,329,534 equity shares of ₹ 2/- each (during FY 2012-13 to 2016-17: 4,598,954 equity shares) during the period of five years immediately preceding 31 March 2018 on exercise of options granted under the Employee Stock Option plan (ESOP).

### e) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option plan (ESOP) of the Company, refer note 53.

For details of share reserved for issue on conversion of Warrants and CCDs, refer note 42.

(₹ in lakhs)

| 16B. PREFERENCE SHARE CAPITAL  |               |               |
|--|---------------|---------------|
|  | 31 March 2018 | 31 March 2017 |
| <b>Authorised preference share capital</b>   |               |               |
| 50,000 (31 March 2017: 50,000) cumulative redeemable preference shares of ₹ 100/- each | 50.00         | 50.00         |
|  | 50.00         | 50.00         |

(₹ in lakhs)

| <b>17. OTHER EQUITY</b>  |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| <b>Share application money pending allotment</b>               | -                    | 0.22                 |
| <b>Reserves and surplus</b>                                    |                      |                      |
| Capital reserve  | 250.08               | 250.08               |
| Capital redemption reserve                                     | 177.12               | 177.12               |
| Securities premium reserve                                     | 1,083,735.39         | 1,083,488.46         |
| General reserve  | 264,223.08           | 264,223.08           |
| Share options outstanding account                              | 1,294.23             | 1,561.66             |
| Forfeiture of shares   | 66.55                | 66.55                |
| Debenture redemption reserve                                   | 21,831.25            | 24,825.00            |
| Retained earnings  | 38,497.85            | 63,358.00            |
| <b>Equity component of compulsorily convertible debentures</b> | <b>825,000.00</b>    | -                    |
| <b>Other comprehensive income</b>                              |                      |                      |
| FVOCI equity instruments (net of tax)                          | (223.29)             | 37.53                |
| Cash flow hedge reserve (net of tax)                           | (2,065.38)           | (3,329.43)           |
|  | <b>2,232,786.88</b>  | <b>1,434,658.27</b>  |

#### **17A. NATURE AND PURPOSE OF RESERVES**

##### **Capital reserve**

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

##### **Capital redemption reserve**

The same has been created in accordance with provisions of the Act for the buy back of equity shares from the market.

##### **Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

##### **General reserve**

The Company is required to create a general reserve out of the profits when the Company declares the dividend to shareholders.

##### **Share options outstanding account**

The reserve is used to recognise the fair value of the options issued to employees under the Company's Employee Stock Option Plan. (refer note 53 for further details).

##### **Forfeiture of shares**

This reserve was created on forfeiture of shares by the Company. The reserve is not available for distribution to the shareholders.

##### **Equity component of compulsorily convertible debentures**

The Company has issued compulsorily convertible debentures (CCDs) having coupon rate of 0.01%. This being compound financial instruments and accordingly represents equity component of CCDs on split of compound financial instruments. This will be converted to equity shares within 18 months of allotment. (also refer note 42).

##### **Debenture redemption reserve (DRR)**

The Company has issued redeemable non-convertible debentures. Accordingly, the Company as per the provisions of the Companies (Share capital and Debentures) Rules, 2014, as amended, created adequate DRR out of retained earnings require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of outstanding debentures. Though the DRR is required to be created over the life of debentures, the Company has upfront created DRR out of retained earnings for an amount which is higher than the minimum required.

| <b>18. BORROWINGS (SECURED)</b>  |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | <b>Non-current</b>   |                      | <b>Current</b>       |                      |
|  | <b>31 March 2018</b> | <b>31 March 2017</b> | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Non-convertible debentures   | <b>68,430.33</b>     | 108,653.51           | <b>40,681.84</b>     | 40,024.65            |
| Term loans   |                      |                      |                      |                      |
| Foreign currency loan  |                      |                      |                      |                      |
| From banks   | <b>124,596.67</b>    | 157,556.02           | <b>31,977.38</b>     | 15,467.28            |
| Rupee loan   |                      |                      |                      |                      |
| From banks   | <b>46,046.26</b>     | 109,132.83           | <b>17,816.46</b>     | 31,049.01            |
| From others  | <b>29,890.71</b>     | 100,619.93           | <b>115,690.86</b>    | 44,977.59            |
|  | <b>268,963.97</b>    | <b>475,962.29</b>    | <b>206,166.54</b>    | <b>131,518.53</b>    |
| Less: Amount disclosed under other current liabilities as 'Current maturities of long-term borrowings' (refer note 25) |                      |                      | <b>206,166.54</b>    | 131,518.53           |
|  | <b>268,963.97</b>    | <b>475,962.29</b>    | -                    | -                    |

**18.1. Repayment terms and security disclosure for the outstanding long-term borrowings (excluding current maturities) as on 31 March 2018:**

**Non-convertible debentures:**

- (i) Non-convertible debentures of ₹ 68,430.33 lakhs (31 March 2017: ₹ 102,416.37 lakhs) are secured by way of pari passu charge on the immovable property situated at New Delhi, owned by the subsidiary company. Coupon rate of these debentures is 12.25% and the outstanding amount (excluding current maturities) is due for redemption beginning from 9 August 2019 to 11 August 2020.
- (ii) Non-convertible debentures of ₹ Nil (31 March 2017: ₹ 6,237.14 lakhs) are secured by way of pari passu charge on the immovable property situated at New Delhi, owned by the subsidiary company. Coupon rate of these debentures is 12.50%. The said debentures had been fully repaid subsequently in April 2018.

**Foreign currency loan from banks:**

- (a) Foreign currency loan of ₹ 124,596.67 lakhs (31 March 2017: ₹ 157,556.02 lakhs) is secured by way of (i) Equitable mortgage of immovable property situated at New Delhi, owned by subsidiary company, (ii) Pledge over the shareholding of subsidiary company owning the aforesaid immovable property; and (iii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable property. The outstanding amount (excluding current maturities) is repayable in 10 quarterly installments starting from April 2019.

**Rupee term loan from banks:**

- (a) Term loan of ₹ 4,898.35 lakhs (31 March 2017: ₹ 9,675.01 lakhs) is secured by way of equitable mortgage of immovable properties situated at New Delhi, owned by the Company. The outstanding amount (excluding current maturities) is repayable in 4 quarterly installments starting from June 2019.
- (b) Term loan of ₹ 3,327.11 lakhs (31 March 2017: ₹ 14,534.70 lakhs) is secured by way of Equitable mortgage of immovable properties situated at Gurugram and Chennai, owned by the subsidiary/ group companies. Further, there is charge on receivables pertaining to the aforesaid immovable properties owned by the subsidiary companies. The outstanding amount (excluding current maturities) is repayable in 5 monthly installments starting from April 2019.
- (c) Term loans of ₹ 24,970.24 lakhs (31 March 2017: ₹ 27,110.90 lakhs) are secured by way of equitable mortgage of immovable properties situated at New Delhi, owned by the Company. Further, there is charge on receivables pertaining to the aforesaid immovable properties owned by the Company on these loans. The outstanding amount (excluding current maturities) are repayable in 72 monthly installments starting from April 2019.
- (d) Term loan of ₹ 12,850.56 lakhs (31 March 2017: ₹ Nil) is secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company/ subsidiary company, (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company; and (iii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable property. The outstanding amount (excluding current maturities) is repayable in 88 monthly installments starting from April 2019.

- (e) Term loan of ₹ Nil (31 March 2017: ₹ 5,953.94 lakhs) was secured by way of Equitable mortgage of immovable properties situated at Kolkata, owned by the Company. The said loan has been pre-paid during the year.
- (f) Term loan of ₹ Nil (31 March 2017: ₹ 43,241.84 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Kolkata, Lucknow, Mullanpur and New Delhi, owned by the Company/ subsidiary companies, (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company/ subsidiary companies and (iii) Corporate guarantees provided by the subsidiary companies owning the aforesaid immovable properties. The said loan has been pre-paid during the year.
- (g) Term loan of ₹ Nil (31 March 2017: ₹ 8,616.44 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by subsidiary company and (ii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable properties. The said loan has been pre-paid during the year.

#### Rupee term loan from others:

- (a) Term loans of ₹ 29,890.71 lakhs (31 March 2017: ₹ 35,185.21 lakhs) are secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company/ subsidiary company, (ii) Negative lien on rights under the concession agreements pertaining to certain immovable properties situated at New Delhi, (iii) Charge on receivables pertaining to all the aforesaid immovable properties owned by the Company/ subsidiary company and (iv) Corporate guarantees provided by the subsidiary company owning the aforesaid immovable property. The outstanding amount (excluding current maturities) are repayable in 49 monthly installments starting from April 2019.
- (b) Term loan of ₹ Nil (31 March 2017: ₹ 2,500.00 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by subsidiary company, (ii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable properties. The said loans has been pre-paid during the year.
- (c) Term loan of ₹ Nil (31 March 2017: ₹ 16,981.48 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by subsidiary company, (ii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable properties. The said loan has been pre-paid subsequently in May 2018.
- (d) Term loan of ₹ Nil (31 March 2017: ₹ 12,475.45 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, Hyderabad and Chennai, owned by company/ subsidiary companies, (ii) Charge on receivables pertaining to the aforesaid immovable property at Gurugram, owned by the Company. The said loans has been pre-paid during the year.
- (e) Term loan of ₹ Nil (31 March 2017: ₹ 17,163.29 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Kolkata, owned by the Company, (ii) Charge on receivables of the aforesaid immovable property owned by the Company. The said loan has been pre-paid during the year.
- (f) Term loan of ₹ Nil (31 March 2017: ₹ 7,411.61 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at New Delhi, owned by the Company/ subsidiary company, (ii) Charge on receivables of the aforesaid immovable property owned by the Company/ subsidiary company and (iii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable property. The said loan has been pre-paid during the year.
- (g) Term loan of ₹ Nil (31 March 2017: ₹ 8,902.89 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Kolkata, Lucknow, Mullanpur and New Delhi, owned by the Company/ subsidiary companies, (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company/ subsidiary companies and (iii) Corporate guarantees provided by the subsidiary companies owning the aforesaid immovable properties. The said loan has been pre-paid during the year.

#### Rate of interest:

The Company's total borrowings from banks and others have a effective weighted-average contractual rate of 8.92% (31 March 2017: 9.74%) per annum calculated using the interest rate effective as on 31 March 2018.

#### Loan Covenants:

Term loans contain certain debt covenants relating to net debt to tangible net worth ratio, debt-equity ratio, minimum tangible net worth and asset coverage ratio. The Company has satisfied all debt covenants prescribed in the terms of term loan.

The Company has not defaulted on any loans payable.

(₹ in lakhs)

| 19. TRADE PAYABLES (NON-CURRENT) |               |               |
|----------------------------------|---------------|---------------|
|                                  | 31 March 2018 | 31 March 2017 |
| Trade payables                   | 79,418.65     | 79,418.65     |
|                                  | 79,418.65     | 79,418.65     |



## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>20. OTHER FINANCIAL LIABILITIES (NON-CURRENT)</b> |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Security deposits                                    | 15,808.61            | 12,415.92            |
|  | <b>15,808.61</b>     | <b>12,415.92</b>     |

(₹ in lakhs)

| <b>21. PROVISIONS</b>        |                      |                      |                      |                      |
|------------------------------|----------------------|----------------------|----------------------|----------------------|
|                              | <b>Non-current</b>   |                      | <b>Current</b>       |                      |
|                              | <b>31 March 2018</b> | <b>31 March 2017</b> | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Provision:*                  |                      |                      |                      |                      |
| Leave encashment             | -                    | -                    | 1,370.79             | 1,094.99             |
| Gratuity                     | 2,317.18             | 1,694.38             | 413.51               | 422.41               |
| Employee Stock Option Scheme | -                    | -                    | -                    | 1,052.36             |
|                              | <b>2,317.18</b>      | <b>1,694.38</b>      | <b>1,784.30</b>      | <b>2,569.76</b>      |

\* For details on employee benefits and employee shadow option scheme, refer note 45 and 53, respectively.

(₹ in lakhs)

| <b>22. OTHER NON-CURRENT LIABILITIES</b> |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Deferred income                          | 8,285.64             | 7,151.61             |
|  | <b>8,285.64</b>      | <b>7,151.61</b>      |

The deferred revenue relates to difference of present value of security deposits received and actual amount received and is released to the statement of profit and loss on straight line basis over the tenure of lease.

(₹ in lakhs)

| <b>23. SHORT-TERM BORROWINGS</b>                    |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Overdraft facility from banks (secured)             | -                    | 35,400.68            |
| Short-term loans from banks (secured)               | 93,345.72            | 162,374.69           |
| Short-term loans from others (secured)              | -                    | 100,000.00           |
| Loans and advances from related parties (unsecured) | 2,254.00             | 3,000.00             |
|   | <b>95,599.72</b>     | <b>300,775.37</b>    |

### 23.1. Security disclosure for the outstanding short-term borrowings as on 31 March 2018:

#### Overdraft facility from Banks:

- Overdraft facilities of ₹ Nil (31 March 2017: ₹ 30,421.19 lakhs) are secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by subsidiary company and (ii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable properties.
- Overdraft facility of ₹ Nil (31 March 2017: ₹ 4,979.49 lakhs) are secured by way of equitable mortgage of Property situated at New Delhi, owned by the Company.

#### Short-term loans from Banks:

- Term loan of ₹ 31,000.00 lakhs (31 March 2017: ₹ Nil) is secured by way of (i) Equitable mortgage of Properties situated at Gurugram, owned by subsidiary company and (ii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable properties.

- (b) Term loan of ₹ 35,000.00 lakhs (31 March 2017: ₹ 35,000.00 lakhs) is secured by way of (i) Equitable mortgage of Properties situated at Gurugram, owned by the Company and subsidiary companies and (ii) Corporate guarantee provided by the subsidiary companies owning the aforesaid immovable properties.
- (c) Term loan of ₹ 19,700.00 lakhs (31 March 2017: ₹ 19,700.00 lakhs) is secured by way of (i) Equitable mortgage of immovable property situated at New Delhi, owned by the Company/ subsidiary company, (ii) Charge on receivables pertaining to the aforesaid immovable property owned by subsidiary company and (iii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable property.
- (d) Term loan of ₹ 7,645.72 lakhs (31 March 2017: ₹ 27,174.69 lakhs) is secured by way of equitable mortgage of immovable property situated at New Delhi, owned by subsidiary company.
- (e) Term loan of ₹ Nil (31 March 2017: ₹ 57,000.00 lakhs) was secured by way of (i) Equitable mortgage of Properties situated at Gurugram, owned by subsidiary company and (ii) Corporate guarantee provided by the subsidiary company owning the aforesaid immovable properties. The said loan has been pre-paid during the year.
- (f) Term loan of ₹ Nil (31 March 2017: ₹ 16,000.00 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company/ subsidiary company, (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company/ subsidiary company and (iii) Corporate guarantee provided by the subsidiary companies owning the aforesaid immovable property. The said loan has been pre-paid during the year.
- (g) Term loan of ₹ Nil (31 March 2017: ₹ 7,500.00 lakhs) was secured by way of (i) Equitable mortgage of immovable property situated at Gurugram, owned by the Company and (ii) Charge on receivables and other current assets of the aforesaid immovable property owned by the Company. The said loan has been pre-paid during the year.

**Short-term loans from others:**

- (a) Term loan of ₹ Nil (31 March 2017: ₹ 100,000.00 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company/ subsidiary company and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company/ subsidiary company. The said loan has been pre-paid during the year.

**Unsecured Loan from related parties:**

- (a) Unsecured loan of ₹ 2,254.00 lakhs (31 March 2017: ₹ 3,000.00 lakhs) is repayable as demanded by the lender.

(₹ in lakhs)

| <b>24. TRADE AND OTHER PAYABLES*</b>                  |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Due to subsidiary companies/ entities (refer note 47) | <b>27,147.15</b>     | 21,390.18            |
| Due to others   |                      |                      |
| Due to micro and small enterprises (refer note 56)    | <b>301.91</b>        | 165.07               |
| Due to other than micro and small enterprises         | <b>54,768.03</b>     | 39,038.55            |
|   | <b>82,217.09</b>     | <b>60,593.80</b>     |

- Trade payables are non-interest bearing and are normally settled 90-120 days terms.

- For terms and conditions with related parties, refer note 47.

(₹ in lakhs)

| <b>25. OTHER FINANCIAL LIABILITIES (CURRENT)*</b> |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Current maturities of long-term borrowings        | <b>206,166.54</b>    | 131,518.53           |
| Interest accrued but not due on borrowings        | <b>7,057.10</b>      | 6,472.24             |
| Security deposits                                 | <b>3,184.71</b>      | 3,794.51             |
| Registration charges payable                      | <b>1,633.95</b>      | 1,998.98             |
| Book overdraft                                    | <b>400.21</b>        | 202.36               |
| Payable to bank on subvention scheme              | <b>28,934.45</b>     | 36,799.57            |
| Other liabilities                                 | <b>199.56</b>        | 435.30               |
|   | <b>247,576.52</b>    | <b>181,221.49</b>    |

\* Carrying amount of these financial liabilities are reasonable approximation of their fair values.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>26. OTHER CURRENT LIABILITIES</b> |                      |                      |
|--------------------------------------|----------------------|----------------------|
|                                      | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Revenue received in advance          | 11.82                | 13.47                |
| Realisation under agreement to sell  |                      |                      |
| Subsidiary companies                 | -                    | 31,253.04            |
| Others                               | 144,407.31           | 236,730.13           |
| Statutory dues                       | 3,620.66             | 5,821.43             |
| Unpaid dividends*                    | 367.38               | 298.30               |
| Deferred income                      | 887.12               | 1,712.10             |
|                                      | <b>149,294.29</b>    | <b>275,828.47</b>    |

\* Not due for credit to "Investor Education and Protection Fund".

(₹ in lakhs)

| <b>27. REVENUE FROM OPERATIONS</b>  |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| <b>Operating revenue</b>  |                      |                      |
| Revenue from sale of land, plots, constructed properties and other development activities | 236,638.94           | 307,478.02           |
| Golf course operations (refer note 57)  | 7,503.67             | 7,222.67             |
| Rental income   | 41,288.92            | 36,532.61            |
|   | <b>285,431.53</b>    | <b>351,233.29</b>    |
| <b>Other operating revenue</b>  |                      |                      |
| Royalty income and others   | 286.18               | (110.16)             |
| Maintenance income  | 19,872.73            | 19,172.36            |
|   | <b>20,158.91</b>     | <b>19,062.20</b>     |
|   | <b>305,590.44</b>    | <b>370,295.49</b>    |

(₹ in lakhs)

| <b>28. OTHER INCOME</b>   |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| <b>Interest on</b>  |                      |                      |
| Bank deposits   | 3,936.52             | 5,483.50             |
| Customers   | 714.99               | 1,175.68             |
| Loans and deposits  | 16,708.48            | 60,904.99            |
| Income tax refunds  | 6,361.80             | -                    |
| Unwinding of amortised cost instruments                                       | 3,110.83             | 2,592.30             |
| <b>Income from investments</b>  |                      |                      |
| Dividend from non-current investments in subsidiary companies                 | 21,307.64            | 1,855.44             |
| Profit on sale of shares of non-current investments                           | 851.18               | -                    |
| Dividend income from current investments in mutual funds                      | 1,866.04             | 1.36                 |
| Profit on sale of non-current investments in mutual funds                     | 232.95               | 1,242.80             |
| Share in profit/ (loss) in partnership firms                                  | (4,535.70)           | (5,508.53)           |
| <b>Other non-operating income</b>   |                      |                      |
| Fair value gain on financial instruments at fair value through profit or loss | 1,717.51             | 374.61               |
| Gain on foreign exchange transactions (net)                                   | 8.05                 | -                    |
| Net gain on disposal of property, plant and equipment                         | 1,953.82             | -                    |
| Liabilities no longer required written back                                   | 53.53                | 290.12               |
| Miscellaneous income  | 1,374.97             | 1,508.49             |
| Provision for expected credit loss written back                               | 19,125.93            | 309.74               |
|   | <b>74,788.54</b>     | <b>70,230.50</b>     |

(₹ in lakhs)

| <b>29. COST OF DEVELOPMENT AND OTHER OPERATIONS</b>                          |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Cost of land, plots, constructed properties and other development activities | <b>115,304.63</b>    | 137,505.27           |
| Cost of golf course operations (refer note 57)                               | <b>7,686.97</b>      | 7,260.25             |
| Cost of maintenance services (refer note 59)                                 | <b>25,751.38</b>     | 19,783.33            |
|  | <b>148,742.98</b>    | <b>164,548.85</b>    |

(₹ in lakhs)

| <b>30. EMPLOYEE BENEFITS EXPENSE</b>         |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Salaries, wages and bonus                    | <b>12,748.42</b>     | 9,540.34             |
| Contribution to provident and other funds    | <b>442.01</b>        | 376.79               |
| Employee Stock Option Scheme (refer note 53) | <b>177.57</b>        | 405.85               |
| Gratuity [refer note 45(b)]                  | <b>297.95</b>        | 129.97               |
| Staff welfare expenses                       | <b>721.99</b>        | 320.63               |
|  | <b>14,387.94</b>     | <b>10,773.58</b>     |

(₹ in lakhs)

| <b>31. FINANCE COSTS</b>   |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Interest on  |                      |                      |
| Debentures   | <b>15,708.05</b>     | 19,381.84            |
| Term loan from banks   | <b>41,121.09</b>     | 53,561.58            |
| Loans from others  | <b>31,493.83</b>     | 35,299.92            |
| Interest others  | <b>732.29</b>        | 1,089.62             |
|  | <b>89,055.26</b>     | <b>109,332.96</b>    |
| Other finance cost   |                      |                      |
| Guarantee, finance and bank charges  | <b>11,853.25</b>     | 12,873.23            |
| Unwinding of discount and effect of changes in discount rate on provisions | <b>1,820.76</b>      | 1,929.97             |
|  | <b>102,729.27</b>    | <b>124,136.16</b>    |
| Less: Transfer to capital work-in-progress/ investment properties*         | <b>(380.30)</b>      | (521.54)             |
|  | <b>102,348.97</b>    | <b>123,614.62</b>    |

\*Weighted-average cost of capitalisation rate for the year ended 31 March 2018: 4.95% (31 March 2017: 4.99%).

(₹ in lakhs)

| <b>32. DEPRECIATION AND AMORTISATION</b>                     |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Depreciation on property, plant and equipment (refer note 3) | <b>3,636.34</b>      | 2,739.77             |
| Depreciation on investment property (refer note 4)           | <b>9,094.01</b>      | 6,727.19             |
| Amortisation of intangible assets (refer note 5)             | <b>467.19</b>        | 431.91               |
|  | <b>13,197.54</b>     | <b>9,898.87</b>      |
| Less: amount capitalised during the year                     | <b>15.94</b>         | 3.16                 |
|  | <b>13,181.60</b>     | <b>9,895.71</b>      |

Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| <b>33. OTHER EXPENSES</b>                               |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Rent  | 1,792.17             | 2,871.43             |
| Rates and taxes   | 2,238.64             | 6,045.39             |
| Electricity, fuel and water                             | 535.43               | 1,928.81             |
| Repair and maintenance                                  |                      |                      |
| Buildings   | 920.46               | 657.63               |
| Constructed properties/ colonies                        | 563.54               | 512.87               |
| Computers   | 668.20               | 489.09               |
| Others  | 466.44               | 429.70               |
| Insurance   | 286.82               | 284.32               |
| Commission and brokerage                                | 1,326.91             | 2,055.63             |
| Advertisement and sales promotion                       | 4,383.98             | 5,504.99             |
| Travelling and conveyance                               | 1,643.88             | 995.71               |
| Vehicles running and maintenance                        | 134.61               | 204.74               |
| Aircraft and Helicopter running and maintenance         | 598.18               | 1,354.87             |
| Printing and stationery                                 | 154.30               | 177.02               |
| Directors' sitting fee                                  | 93.68                | 79.83                |
| Commission to non-executive Directors                   | 344.50               | 340.00               |
| Communication costs                                     | 206.30               | 257.13               |
| Legal and professional fees (refer note 33A)            | 6,889.30             | 6,565.04             |
| Donation and charity*                                   | 1,566.00             | 1,253.25             |
| Donation to electoral trust                             | 2,500.00             | 2,800.00             |
| Claim and compensation                                  | 66.56                | 242.18               |
| Loss on disposal of fixed assets                        | -                    | 60.33                |
| Bad debts/ advances written off                         | 495.32               | 128.54               |
| Allowance for expected credit losses (net)              | 4,631.16             | 1,315.75             |
| Exchange loss on foreign currency transactions (net)    | -                    | 25.72                |
| Ineffective portion of cash flow hedges (refer note 41) | 1,604.38             | 1,762.00             |
| Miscellaneous expenses                                  | 995.32               | 1,081.05             |
|   | <b>35,106.08</b>     | <b>39,423.02</b>     |

\* includes corporate social responsibility expenses (refer note 33B for details).

(₹ in lakhs)

| <b>33A. PAYMENT TO AUDITORS</b>          |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| <b>As auditor:</b>                       |                      |                      |
| Audit fee                                | 182.00               | 126.00               |
| <b>In other capacity:</b>                |                      |                      |
| Other services (certification fees etc.) | 10.53                | 27.84                |
| Reimbursement of expenses                | 8.76                 | 14.04                |
|  | <b>201.29</b>        | <b>167.88</b>        |

(₹ in lakhs)

| <b>33B. DETAILS OF CSR EXPENDITURE</b>                              |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| a) Gross amount required to be spent by the Company during the year | 1,266.00             | 685.00               |
| b) Amount spent in cash during the year on:                         |                      |                      |
| i) Construction/ acquisition of any asset                           | -                    | -                    |
| ii) On purposes other than (i) above                                | 1,266.00             | 685.00               |

(₹ in lakhs)

| <b>34. EXCEPTIONAL ITEMS</b> |                      |                      |
|------------------------------|----------------------|----------------------|
|                              | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Development cost written-off | (12,065.86)          | (4,225.00)           |
|                              | <b>(12,065.86)</b>   | <b>(4,225.00)</b>    |

The Company had acquired land amounting to ₹ 15,299.84 lakhs under SEZ category for developing various SEZ projects and had commenced development work in the year 2008-09 and incurred ₹ 12,065.86 lakhs on development activities, which was under capital work-in-progress of investment properties; however considering the slow down in real estate sector and change in economic scenario, now the Company believes that SEZ projects in those locations is not viable and will explore alternative usage. Accordingly, development cost incurred so far does not have any economic value and therefore charged to the statement of profit and loss account as an exceptional item in the current year.

(₹ in lakhs)

| <b>35. INCOME TAX EXPENSE</b>  |                      |                      |
|--|----------------------|----------------------|
|  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| <b>(a) Income tax expense reported in the statement of profit or loss comprises</b>  |                      |                      |
| Current tax  | -                    | (276.93)             |
| Adjustment in respect of current income tax of previous years  | (1,118.47)           | -                    |
| Deferred tax relating to origination and reversal of temporary differences   | 19,143.65            | 28,665.93            |
| <b>Income tax expense reported in the statement of profit and loss</b>   | <b>18,025.18</b>     | <b>28,389.00</b>     |
| <b>(b) Statement of Other Comprehensive Income</b>   |                      |                      |
| Deferred tax related to items recognised in OCI during the year  |                      |                      |
| Net gain/ loss on revaluation of cash flow hedges  | (668.98)             | 412.00               |
| Unrealised (gain)/ loss on FVTOCI equity securities  | 89.50                | 77.58                |
| Net (gain)/ loss on remeasurement of defined benefit plans   | (19.91)              | 19.42                |
| <b>Income tax charged to OCI</b>   | <b>(599.39)</b>      | <b>509.00</b>        |
| <b>(c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows</b> |                      |                      |
| Accounting profit before tax   | 54,545.55            | 88,045.21            |
| Statutory income tax rate of 34.608% (31 March 2017: 34.608%)  | 18,877.12            | 30,470.69            |
| <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>   |                      |                      |
| Adjustments in respect of capital gain tax rate  | -                    | (255.06)             |
| Tax impact of exempted income  | (8,665.84)           | (1,087.56)           |
| Tax impact of expenses which will never be allowed   | 1,407.16             | 4,010.52             |
| Tax benefits for assets assessed under house property  | 531.58               | (2,003.44)           |
| Tax impact of loss from partnership firm which will never be allowed   | 1,569.82             | 1,906.55             |
| Impact of change in tax rate   | 1,769.00             | -                    |
| Adjustment in respect of current income tax of previous years  | (1,118.47)           | -                    |
| Others   | 3,654.81             | (4,652.70)           |
|  | <b>18,025.18</b>     | <b>28,389.00</b>     |

During the year, the Company has paid dividend to its shareholders, which has resulted in payment of dividend distribution tax (DDT) to the Income tax authorities. The Company believes that DDT represents additional payment to Income tax authorities on behalf of the shareholders and hence DDT paid is charged to equity directly.

### **36. EARNINGS PER EQUITY SHARE**

Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted-average number of shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders (after adjusting for interest on the compulsorily convertible debentures) by the weighted-average number of equity shares outstanding during the year plus the weighted number of equity shares that would be issued on conversion of all the dilutive potential equity share into equity shares.

## Notes to the Standalone Financial Statements (Contd.)

The computation of basic and diluted EPS is as below:

(₹ in lakhs)

| Particulars   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>Net profit attributable to equity shareholders</b>                               |               |               |
| Net profit for the year   | 36,520.37     | 59,656.21     |
| Nominal value of equity share (₹)   | 2.00          | 2.00          |
| Total number of equity shares outstanding at the beginning of the year (Nos.)       | 1,784,003,090 | 1,783,716,082 |
| Total number of equity shares outstanding at the end of the year (Nos.)             | 1,784,067,028 | 1,784,003,090 |
| Weighted-average number of equity shares for basic EPS (Nos.)                       | 1,784,047,170 | 1,783,902,576 |
| <b>Basic EPS (₹)</b>  | <b>2.05</b>   | <b>3.34</b>   |
| Nominal value of equity share (₹)   | 2.00          | 2.00          |
| Weighted-average number of equity shares used to compute diluted earnings per share | 1,890,008,529 | 1,784,472,390 |
| <b>Diluted EPS (₹)</b>  | <b>1.93</b>   | <b>3.34</b>   |
| Weighted-average number of equity shares for basic EPS                              | 1,784,047,170 | 1,783,902,576 |
| Effect of dilution:   |               |               |
| Share options   | 407,817       | 569,814       |
| Compulsorily Convertible Debentures   | 96,757,413    | -             |
| Warrants  | 8,796,129     |               |
| Weighted-average number of equity shares adjusted for the effect of dilution*       | 1,890,008,529 | 1,784,472,390 |

\* There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

### 37. FINANCIAL INSTRUMENTS BY CATEGORY

#### (i) Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and 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:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** unobservable inputs for the asset or liability.

#### (ii) Financial assets measured at fair value - recurring fair value measurements

(₹ in lakhs)

| 31 March 2018                                    | Level 1          | Level 2         | Level 3         | Total             |
|--|------------------|-----------------|-----------------|-------------------|
| <b>FVTPL</b>                                     |                  |                 |                 |                   |
| Investments in mutual fund                       | 94,959.76        | -               | 9,267.36        | 104,227.12        |
| <b>FVOCI</b>                                     |                  |                 |                 |                   |
| Investments in equity shares                     | -                | -               | 465.96          | 465.96            |
| <b>Forward contract</b>                          |                  |                 |                 |                   |
| Derivative instruments at fair value through OCI |                  | 4,514.69        |                 | 4,514.69          |
| <b>Total financial assets</b>                    | <b>94,959.76</b> | <b>4,514.69</b> | <b>9,733.32</b> | <b>109,207.77</b> |

**Financial assets measured at fair value - recurring fair value measurements**

(₹ in lakhs)

| 31 March 2017                                    | Level 1  | Level 2         | Level 3         | Total            |
|--|----------|-----------------|-----------------|------------------|
| <b>FVTPL</b>                                     |          |                 |                 |                  |
| Investments in mutual fund                       | -        | -               | 8,467.74        | <b>8,467.74</b>  |
| <b>FVOCI</b>                                     |          |                 |                 |                  |
| Investments in equity shares                     | -        | -               | 853.92          | <b>853.92</b>    |
| <b>Forward contract</b>                          |          |                 |                 |                  |
| Derivative instruments at fair value through OCI |          | 5,168.00        |                 | <b>5,168.00</b>  |
| <b>Total financial assets</b>                    | <b>-</b> | <b>5,168.00</b> | <b>9,321.66</b> | <b>14,489.66</b> |

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

Specific valuation techniques used to value financial instruments include:

- the use of net asset value for mutual funds on the basis of the statement received from investee party.
  - the use of adjusted net asset value method for certain equity investment and discounted cash flow method (income approach) for remaining equity instruments.
  - For hedge related effectiveness review and related valuation, details are presented in note 41.
- (iv) The Company has used interest rate and USD/ INR swap rate as inputs to arrive at fair value of derivative assets.
- (v) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted.

| Particulars                 | Fair value as at (₹ in lakh) |               | Significant unobservable inputs* | Data inputs   |               | Sensitivity*   |  |
|-----------------------------|------------------------------|---------------|----------------------------------|---------------|---------------|--|--|
|                             | 31 March 2018                | 31 March 2017 |                                  | 31 March 2018 | 31 March 2017 | 1% increase in inputs^   | 1% decrease in inputs^   |
| Investment in mutual fund   | 9,267.36                     | 8,467.74      | Illiquidity factor               | 11.30%-16.50% | 15.00%        | 31 March 2018<br>₹ 10.21 lakhs<br>31 March 2017<br>₹ (5.77 lakhs)  | 31 March 2018<br>₹ (10.21 lakhs)<br>31 March 2017<br>₹ 6.71 lakhs  |
|                             |                              |               | Market money multiple            | 0.93x-3.20x   | 1.23-4.57     |  |  |
| Investment in equity shares | 465.96                       | 853.92        | Discount rate\$                  | 0.92x         | 11.66%        | 31 March 2018<br>₹ 17.53 lakhs<br>31 March 2017<br>₹ (33.86 lakhs) | 31 March 2018<br>₹ (17.35 lakhs)<br>31 March 2017<br>₹ 35.02 lakhs |
|                             |                              |               | Long-term growth rate            | 1.00%         | 5.00%         |  |  |

\* Sensitivity has been considered for mentioned inputs, keeping the other variables constant.

^ Figures in bracket represent negative numbers.

\$ In current year, Comparable transaction multiple method is adopted for valuation. In previous year, Discounted Cash Flow ("DCF") method was adopted for valuation.

**(vi) The following table presents the changes in level 3 items for the year ended 31 March 2018 and 31 March 2017:**

(₹ in lakhs)

| Particulars                                      | Mutual fund     | Equity shares   |
|--|-----------------|-----------------|
| <b>As at 1 April 2016</b>                        | <b>8,264.94</b> | <b>1,190.20</b> |
| Disposal of financial asset                      | (171.81)        | -               |
| Gains recognised in statement of profit and loss | 374.61          | -               |
| Loss recognised in other comprehensive income    | -               | (336.28)        |
| <b>As at 31 March 2017</b>                       | <b>8,467.74</b> | <b>853.92</b>   |
| Disposal of financial asset                      | (917.89)        | -               |
| Gains recognised in statement of profit and loss | 1,717.51        | -               |
| Loss recognised in other comprehensive income    |                 | (387.95)        |
| <b>As at 31 March 2018</b>                       | <b>9,267.36</b> | <b>465.97</b>   |



## Notes to the Standalone Financial Statements (Contd.)

### (vii) Fair value of instruments measured at amortised cost

(₹ in lakhs)

| Particulars                        | 31 March 2018     |                   | 31 March 2017       |                     |
|------------------------------------|-------------------|-------------------|---------------------|---------------------|
|                                    | Carrying value    | Fair value        | Carrying value      | Fair value          |
| <b>Financial assets</b>            |                   |                   |                     |                     |
| Loans                              | 286,533.22        | 286,533.22        | 109,822.46          | 109,822.46          |
| Trade receivables                  | 40,491.00         | 40,491.00         | 59,603.89           | 59,603.89           |
| Cash and cash equivalents          | 89,650.37         | 89,650.37         | 59,603.89           | 59,603.89           |
| Other bank balances                | 11,234.43         | 11,234.43         | 81,142.92           | 81,142.92           |
| Other financial assets             | 167,974.27        | 167,974.27        | 174,470.87          | 174,470.87          |
| <b>Total financial assets</b>      | <b>595,883.29</b> | <b>595,883.29</b> | <b>484,644.03</b>   | <b>484,644.03</b>   |
| Borrowings*                        | 364,563.69        | 364,563.69        | 776,737.66          | 776,737.66          |
| Trade payables                     | 161,635.74        | 161,635.74        | 140,012.44          | 140,012.44          |
| Other financial liabilities        | 263,385.13        | 263,385.13        | 193,637.41          | 193,637.41          |
| <b>Total financial liabilities</b> | <b>789,584.56</b> | <b>789,584.56</b> | <b>1,110,387.51</b> | <b>1,110,387.51</b> |

Investments in equity shares of subsidiaries, associates and joint ventures are measured at cost as per Ind AS 27, "Separate Financial Statements" and are not required to disclose here.

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

### 38. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### i) Financial instruments by category

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

(₹ in lakhs)

| Particulars               | 31 March 2018 |         |                | 31 March 2017 |         |                |
|---------------------------|---------------|---------|----------------|---------------|---------|----------------|
|                           | FVTPL**       | FVOCI** | Amortised cost | FVTPL**       | FVOCI** | Amortised cost |
| <b>Financial assets</b>   |               |         |                |               |         |                |
| Investments               |               |         |                |               |         |                |
| Equity instruments*       | -             | 465.96  | -              | -             | 853.92  | -              |
| Preference shares         | -             | -       | 98,791.78      | -             | -       | 98,794.53      |
| Mutual funds              | 104,227.12    | -       | -              | 8,467.74      | -       | -              |
| Trade receivables         | -             | -       | 40,491.00      | -             | -       | 59,603.89      |
| Loans                     | -             | -       | 286,533.22     | -             | -       | 109,822.46     |
| Cash and cash equivalents | -             | -       | 89,650.37      | -             | -       | 81,142.92      |
| Other bank balance        | -             | -       | 11,234.43      | -             | -       | 11,107.74      |

(₹ in lakhs)

| Particulars                                   | 31 March 2018     |                 |                   | 31 March 2017   |                 |                     |
|---|-------------------|-----------------|-------------------|-----------------|-----------------|---------------------|
|   | FVTPL**           | FVOCI**         | Amortised cost    | FVTPL**         | FVOCI**         | Amortised cost      |
| Derivate instrument at fair value through OCI | -                 | 4,514.69        |                   | -               | 5,168.00        | -                   |
| Other financial assets                        | -                 | -               | 163,459.59        | -               | -               | 169,302.87          |
| <b>Total</b>                                  | <b>104,227.12</b> | <b>4,980.65</b> | <b>690,160.39</b> | <b>8,467.74</b> | <b>6,021.92</b> | <b>529,774.41</b>   |
| <b>Financial liabilities</b>                  |                   |                 |                   |                 |                 |                     |
| Borrowings                                    | -                 | -               | 364,563.69        | -               | -               | 776,737.66          |
| Trade payable                                 | -                 | -               | 161,635.74        | -               | -               | 140,012.44          |
| Security deposit                              | -                 | -               | 18,993.32         | -               | -               | 16,210.43           |
| Other financial liabilities                   | -                 | -               | 247,576.52        | -               | -               | 189,842.90          |
| <b>Total</b>                                  | <b>-</b>          | <b>-</b>        | <b>792,769.27</b> | <b>-</b>        | <b>-</b>        | <b>1,122,803.43</b> |

\* Investment in equity shares of subsidiaries, associate and joint venture are measured at cost as per Ind AS 27, "Separate financial statements".

\*\* These financial assets are mandatorily measured at fair value.

## ii) Risk Management objectives and polices

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

### A) Credit risk

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

#### a) Credit risk management

##### i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

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

| Asset Company        | Basis  | Provision for expenses credit loss                             |
|----------------------|--|--|
| Low credit risk      | Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets | 12 months expected credit loss/ life time expected credit loss |
| Moderate credit risk | Loans and other financial assets   | 12 month expected credit loss                                  |
| High credit risk     | Loans and other financial assets   | 12 months expected credit loss/ 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 are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written-off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

## Notes to the Standalone Financial Statements (Contd.)

In respect of trade receivables, the Company recognises provision for lifetime expected credit loss.

(₹ in lakhs)

| Credit rating           | Particulars  | 31 March 2018 | 31 March 2017 |
|-------------------------|--|---------------|---------------|
| A: Low credit risk      | Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets | 694,870.77    | 421,132.98    |
| B: Moderate credit risk | Loans and other financial assets   | -             | -             |
| C: High credit risk     | Loans and other financial assets   | 5,705.60      | 24,336.56     |

### b) Credit risk exposure

#### Provision for expected credit losses

The Company provides for expected credit loss based on 12 months and lifetime expected credit loss basis for following financial assets:

(₹ in lakhs)

| 31 March 2018             |  |                        |   |
|---------------------------|--|------------------------|---|
| Particulars               | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Investments               | 104,693.08                                 | -                      | 104,693.08                                  |
| Trade receivables         | 42,781.92                                  | 2,290.92               | 40,490.99                                   |
| Loans                     | 287,035.65                                 | 502.43                 | 286,533.22                                  |
| Cash and cash equivalents | 89,650.37                                  | -                      | 89,650.37                                   |
| Other bank balance        | 11,234.43                                  | -                      | 11,234.43                                   |
| Other financial assets    | 173,177.45                                 | 5,203.17               | 167,974.28                                  |
|                           | 708,572.90                                 | 7,996.52               | 700,576.37                                  |
| 31 March 2017             |  |                        |   |
| Particulars               | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Investments               | 9,321.66                                   | -                      | 9,321.66                                    |
| Trade receivables         | 59,766.09                                  | 162.20                 | 59,603.89                                   |
| Loans                     | 128,948.40                                 | 19,125.93              | 109,822.46                                  |
| Cash and cash equivalents | 81,142.92                                  | -                      | 81,142.92                                   |
| Other bank balance        | 11,107.74                                  | -                      | 11,107.74                                   |
| Other financial assets    | 179,681.51                                 | 5,210.63               | 174,470.87                                  |
|                           | 469,968.32                                 | 24,498.76              | 445,469.54                                  |

#### Expected credit loss for trade receivables under simplified approach

The Company's trade receivables in respect of projects does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made ₹ 2,290.92 lakhs provision towards interest received from customers. In respect of other 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.

#### Reconciliation of loss allowance provision - loans and other financial assets

(₹ in lakhs)

| Reconciliation of loss allowance         | Trade Receivables | Loans       | Other financial assets |
|--|-------------------|-------------|------------------------|
| Loss allowance on 31 March 2017          | 162.20            | 19,125.93   | 5,210.62               |
| Allowance for expected credit loss (net) | 2,128.72          | (18,623.50) | (7.45)                 |
| Loss allowance on 31 March 2018          | 2,290.92          | 502.43      | 5,203.17               |

**Reconciliation of loss allowance provision - loans and other financial assets**

(₹ in lakhs)

| Reconciliation of loss allowance         | Trade Receivables | Loans            | Other financial assets |
|--|-------------------|------------------|------------------------|
| <b>Loss allowance on 31 March 2016</b>   | 103.48            | 18,075.41        | 5,210.62               |
| Allowance for expected credit loss (net) | 58.72             | 1,050.52         | -                      |
| <b>Loss allowance on 31 March 2017</b>   | <b>162.20</b>     | <b>19,125.93</b> | <b>5,210.62</b>        |

**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.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lakhs)

| 31 March 2018                   | Less than 1 year  | 1-5 years         | More than 5 years | Total               |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|
| <b>Non-derivatives</b>          |                   |                   |                   |                     |
| Borrowings (including interest) | 319,877.13        | 287,382.41        | 26,803.33         | 634,062.87          |
| Trade payables                  | 82,217.09         | 79,418.65         | -                 | 161,635.74          |
| Other financial liabilities     | 244,391.81        | -                 | -                 | 244,391.81          |
| Security Deposits               | 4,071.83          | 9,889.26          | 14,204.99         | 28,166.09           |
| <b>Total</b>                    | <b>650,557.86</b> | <b>376,690.32</b> | <b>41,008.32</b>  | <b>1,068,256.51</b> |

(₹ in lakhs)

| 31 March 2017                   | Less than 1 year  | 1-5 years         | More than 5 years | Total               |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|
| <b>Non-derivatives</b>          |                   |                   |                   |                     |
| Borrowings (including interest) | 509,194.54        | 536,998.71        | 29,583.55         | 1,075,776.80        |
| Trade payable                   | 84,729.70         | 79,418.65         | -                 | 164,148.35          |
| Other financial liabilities     | 38,783.61         | 4,038.44          | 6,387.10          | 49,209.15           |
| Security Deposits               | 3,794.51          | 8,847.88          | 13,993.58         | 26,635.97           |
| <b>Total</b>                    | <b>636,502.36</b> | <b>629,303.68</b> | <b>49,964.23</b>  | <b>1,315,770.27</b> |

**C) Market Risk**
**a) Foreign currency risk**

Foreign currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates. The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

(₹ in lakhs)

| Foreign currency risk exposure:                    |          |               |               |
|--|----------|---------------|---------------|
| Particulars  | Currency | 31 March 2018 | 31 March 2017 |
| <b>Financial liabilities</b>                       |          |               |               |
| Foreign currency loan (including interest accrued) | USD      | 158,396.44    | 175,224.34    |

The Company manages its foreign currency risk by hedging transactions. The Company has hedged its cash flows related to foreign currency transactions covering the entire duration of the foreign currency loan. As at 31 March 2018, the Company hedged 100% of its foreign currency borrowings.

The Company's exposure to foreign currency changes for unhedged transactions are not material, therefore not disclosed.

## Notes to the Standalone Financial Statements (Contd.)

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in lakhs)

| Particulars                                   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>USD sensitivity</b>                        |               |               |
| INR/ USD - increase by 5% (31 March 2017: 5%) | 7,919.82      | 8,761.22      |
| INR/ USD - decrease by 5% (31 March 2017: 5%) | (7,919.82)    | (8,761.22)    |

The sensitivity of profit or loss to changes in the exchange rates arises mainly from hedged foreign currency denominated financial instruments i.e. foreign exchange forward contract, which is described below:

(₹ in lakhs)

| Particulars                        | Currency | 31 March 2018 | 31 March 2017 |
|------------------------------------|----------|---------------|---------------|
| Increase by 5% (31 March 2017: 5%) | USD      | 225.73        | 258.40        |
| Decrease by 5% (31 March 2017: 5%) | USD      | (225.73)      | (258.40)      |

### b) Interest rate risk

#### i) Liabilities

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 fixed rate borrowings 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.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Keeping in view of current market scenario.

#### Interest rate risk exposure

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in lakhs)

| Particulars             | 31 March 2018     | 31 March 2017     |
|-------------------------|-------------------|-------------------|
| Variable rate borrowing | 459,364.07        | 796,602.69        |
| Fixed rate borrowing    | 111,366.17        | 111,653.51        |
| <b>Total borrowings</b> | <b>570,730.24</b> | <b>908,256.20</b> |

#### Sensitivity

Profit or loss and equity is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lakhs)

| Particulars   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>Interest sensitivity</b>   |               |               |
| Interest rates - increase by 100 basis point (31 March 2017: 100 basis point) | 4,593.64      | 7,966.03      |
| Interest rates - decrease by 100 basis point (31 March 2017: 100 basis point) | (4,593.64)    | (7,966.03)    |

#### ii) Assets

The company's fixed deposits, interest bearing security deposits and loans are carried at fixed rate. Therefore, the said assets 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.

### c) Price risk

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

## Sensitivity analysis

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

(₹ in lakhs)

| Particulars                         | 31 March 2018 | 31 March 2017 |
|-------------------------------------|---------------|---------------|
| <b>Price sensitivity</b>            |               |               |
| Price increase by (5%) - FVTPL      | 4,747.99      | -             |
| Price decrease by (5%) - FVTPL      | (4,747.99)    | -             |
| <b>Fair value sensitivity</b>       |               |               |
| Fair value increase by (5%) - FVOCI | 23.30         | 42.70         |
| Fair value decrease by (5%) - FVOCI | (23.30)       | (42.70)       |
| Fair value increase by (5%) - FVTPL | 463.37        | 423.39        |
| Fair value decrease by (5%) - FVTPL | (463.37)      | (423.39)      |

### d) Legal, taxation and accounting risk

Change to any of the above laws, rules, regulations related to DLF Business could have a material impact on its financial results. Compliance with any proposed changes could also result in significant cost of DLF. Failure to fully comply with various laws, rules and regulations may expose DLF to proceedings which may materially affect its performance.

DLF is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to personal injury claims, landlord-tenant disputes, commercial disputes, tax disputes, employment disputes and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In Situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, DLF records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, DLF employs in-house counsel and uses third party tax & legal experts to assist in structuring significant transactions and contracts. DLF also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

## 39. CAPITAL MANAGEMENT

The purpose of the Company's capital management is:

- Maintain an optimal capital structure to reduce the cost of capital.

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

The Company manages its 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 or issue new shares.

(₹ in lakhs)

| Particulars                                     | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Total debts*                                    | 570,730.23    | 908,256.19    |
| Total equity                                    | 2,343,478.58  | 1,470,338.33  |
| Capital and net debt                            | 2,914,208.81  | 2,378,594.52  |
| <b>Net debt to equity ratio (gearing ratio)</b> | <b>19.58%</b> | <b>38.18%</b> |

\* It includes non-current borrowings, current borrowings and current maturities of long-term borrowings.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| 40. DIVIDENDS  |               |               |
|--|---------------|---------------|
| Particulars  | 31 March 2018 | 31 March 2017 |
| <b>Proposed dividend</b>   |               |               |
| Proposed final dividend for the year ended 31 March 2018 of ₹ 0.80 per share | 14,272.54     | 35,680.06     |
| <b>Paid dividend</b>   |               |               |
| Final dividend for the year ended 31 March 2017 of ₹ 2.00 per share          | 35,681.14     | -             |
| Interim dividend for the year ended 31 March 2018 of ₹ 1.20 per share        | 21,408.80     | -             |

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (excluding DDT thereon) as at 31 March 2018.

During the year, the Company has declared and paid interim dividend of ₹ 21,408.80 lakhs @ 60% (i.e. ₹ 1.20 per equity share having par value of ₹ 2/- each) to its shareholders. The Company has also received Dividend of ₹ 21,307.10 lakhs from one of its subsidiary company during the year and corporate dividend tax of ₹ 4337.62 lakhs has been paid by the said subsidiary company. Accordingly, the Company has taken credit of this corporate dividend tax as per Section 115O of the Income-tax Act, 1961 and has paid balance amount on account of corporate dividend tax amounting to ₹ 20.71 lakhs on interim dividend.

Further, the Board of Directors at its meeting held on 21 May 2018, has recommended final dividend of ₹ 14,272.54 lakhs @ 40% (i.e. ₹ 0.80 per equity share having par value of ₹ 2/- each). Since this final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting, no provision has been made in these financial statements for the same.

## 41. CASH FLOW HEDGES

### A Risk management strategy

The Company uses swaps contracts to hedge its risks associated with fluctuations in foreign currency. The risk being hedged is the risk of potential gain/ loss due to fluctuation in foreign currency rates. The use of swap contracts is covered by the Company's overall strategy. The Company does not use swaps for speculative purposes. As per the strategy of the Company, foreign currency loans are covered by hedge, considering the risks associated with the hedging of such loans, which effectively fixes the principal liability of such loans and mitigates or eliminate the financial and market risks in India (the place of business of the Company).

Hedge ratio is the relationship between the quantity of the hedging instrument and the quantity of the hedged item. In the case, total principal payments under the transaction is hedged under the swap contracts with the equivalent amount and at the same dates. Hence the entity hedge 100% of its exposure on the transaction and is considered highly effective.

### B Other hedge related disclosures

(i) The maturity profile of hedging instrument is as follows:

(₹ in lakhs)

| Particulars   | Less than 1 year | 1-3 years | More than 3 years | Total    |
|---|------------------|-----------|-------------------|----------|
| <b>31 March 2018</b>  |                  |           |                   |          |
| Derivative asset - swap contract (INR-USD hedge rate - ₹ 59.87) | 1,291.30         | 1,269.08  | -                 | 2,560.38 |
| <b>31 March 2017</b>  |                  |           |                   |          |
| Derivative asset - swap contract (INR-USD hedge rate - ₹ 59.87) | 1,604.38         | 2,560.38  | -                 | 4,164.76 |

(ii) In the Company's hedge relationship, source of hedge ineffectiveness are credit risk of the counterparty or of the Company and changes in timing of hedge transaction.

(iii) The amounts relating to items designated as hedging instrument are as follows:

(₹ in lakhs)

| Particulars                           | Carrying Amount  |                       | Changes in value of hedging instrument recognised in OCI | Amount charged to statement of profit and loss | Line item of statement of profit and loss where the impact is included |
|---------------------------------------|------------------|-----------------------|--|--|--|
|                                       | Derivative Asset | Foreign currency loan |  |  |  |
| <b>31 March 2018</b>                  |                  |                       |  |  |  |
| External Commercial Borrowing ('ECB') | 4,514.69         | 156,574.05            | 328.65   | 1,604.38                                       | Ineffective portion of cash flow hedges in other expense               |
| <b>31 March 2017</b>                  |                  |                       |  |  |  |
| External Commercial Borrowing ('ECB') | 5,168.00         | 173,023.30            | (2,954.26)   | 1,762.00                                       | Ineffective portion of cash flow hedges in other expense               |

(iv) Fair value of derivative contract:

(₹ in lakhs)

|  | 31 March 2018 |             | 31 March 2017 |             |
|--|---------------|-------------|---------------|-------------|
|  | Assets        | Liabilities | Assets        | Liabilities |
| Fair value of foreign currency forward contracts designated as hedging instruments | 4,514.69      | -           | 5,168.00      | -           |

#### 42. WARRANTS AND COMPULSORILY CONVERTIBLE DEBENTURES

a) During the year, the Company has issued warrants and compulsorily convertible debentures (CCDs) having 0.01% coupon rate to promoter group of companies on preferential allotment basis @ ₹ 217.25 per warrant and CCDs aggregating to ₹ 1,125,000.00 lakhs. Against the issuance of 138,089,758 warrants, the Company has received 25% of issue price amounting to ₹ 75,010.36 lakhs and the remaining amount of 75% will be received at the time of allotment of shares. In respect of issuance of 379,746,836 CCDs, the Company has received 100% amount of ₹ 825,000 lakhs which will be converted to equity shares within 18 months of allotment.

b) Utilization of proceeds from preferential issue

Out of the total proceeds of ₹ 900,010.36 lakhs by way of allotment of warrants and CCDs, on preferential basis ₹ 794,400.00 lakhs has been utilized towards repayment of loans, working capital requirement, capital expenditure and investment in subsidiary companies. The balance amount of ₹ 105,600.00 lakhs is invested in Fixed Deposit/ Mutual funds for further utilization.

43. The Company has entered into business development agreements with certain of its group entities for acquisition of sole irrevocable development rights in identified land which are acquired/ or in the final stages of being acquired by these entities.

In terms of accounting policy stated in Note 2.2(g) the amount paid to these entities pursuant to the above agreements for acquiring development rights, are classified under inventory as development rights.

#### 44. REVENUE RELATED DISCLOSURES

Disclosure in respect of projects (except land and plots) under the Guidance Note on "Accounting for Real Estate Transactions (Guidance Note)" is as below. The Company determines project revenue based on percentage of completion method as and when all the conditions mentioned in Guidance Note are met. Further, stage of completion is determined based on actual cost incurred as compared to the total budgeted cost of the project.

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Amount of project revenue recognized as revenue during the year          | 233,672.73    | 307,262.98    |
| Aggregate amount of costs incurred and profits recognized to date        | 2,072,971.18  | 1,839,298.45  |
| Amount of advances received  | 136,945.45    | 262,359.97    |
| Amount of work-in-progress and value of inventories*                     | 209,789.92    | 249,677.71    |
| Excess of revenue recognized over actual bills raised (unbilled revenue) | 136,212.06    | 148,516.48    |

\* Excludes inventories of unlaunched land parcels and development rights.

#### 45. EMPLOYEE BENEFIT OBLIGATIONS

a) **Provident fund**

The provident fund trust set-up by the Company is treated as a defined benefit plan since the Company has to meet the interest shortfalls, if any. In this regard, actuarial valuation as on 31 March 2018 was carried out to measure the obligation using projected unit credit method arising due to interest rate guarantee by the Company towards provident fund. In terms of said valuation, the Company has no liability towards interest rate guarantee as on 31 March 2018.

Actuarial assumptions

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Discounting rate                                       | 7.60%         | 7.50%         |
| Expected statutory interest rate on the ledger balance | 8.55%         | 8.65%         |
| Expected shortfall in interest earnings on the fund    | 0.05%         | 0.05%         |

Contribution made by the Company to the provident funds trust during the year is ₹ 295.02 lakhs (31 March 2017 ₹ 258.80 lakhs).



## Notes to the Standalone Financial Statements (Contd.)

### b) Gratuity plan (non-funded)

The Company has a defined benefit gratuity plan, which is unfunded. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The weighted-average duration of the defined benefit obligation is 12.84 years (31 March 2017: 12.45 years).

#### Risks associated with plan provisions

The Company is exposed to number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

##### Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

##### Interest rate risk

A decrease in interest rate in future years will increase the plan liability.

##### Life expectancy risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

##### Withdrawals Risk

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the plan liability.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss:

#### Amount recognised in the statement of profit and loss is as under:

(₹ in lakhs)

| Description   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Current service cost  | 200.31        | 143.20        |
| Interest cost   | 158.76        | 113.31        |
| Expenses recovered on account of employees transferred from other companies | (61.12)       | (126.54)      |
| <b>Amount recognised in the statement of profit and loss</b>                | <b>297.95</b> | <b>129.97</b> |

#### Movement in the liability recognised in the balance sheet is as under:

(₹ in lakhs)

| Description  | 31 March 2018   | 31 March 2017   |
|--|-----------------|-----------------|
| Present value of defined benefit obligation as at the start of the year      | 2,116.79        | 1,416.36        |
| Current service cost   | 200.31          | 143.20          |
| Interest cost  | 158.76          | 113.31          |
| Actuarial loss/ (gain) recognised during the year                            | (57.54)         | 56.10           |
| Benefits paid  | (365.03)        | (77.72)         |
| Liability transferred on account of employees transferred to other companies | 677.40          | 465.54          |
| <b>Present value of defined benefit obligation as at the end of the year</b> | <b>2,730.69</b> | <b>2,116.79</b> |
| Current portion of defined benefit obligation                                | 413.51          | 422.41          |
| Non-current portion of defined benefit obligation                            | 2,317.18        | 1,694.38        |

#### Breakup of Actuarial gain/ loss: Other comprehensive income:

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Actuarial loss arising from change in financial assumption | (86.26)       | 80.12         |
| Actuarial gain arising from experience adjustment          | 28.72         | (24.02)       |

For determination of the gratuity liability of the Company, the following principal actuarial assumptions were used:

| Description   | 31 March 2018          | 31 March 2017 |
|---|------------------------|---------------|
| <b>Financial Assumptions</b>                          |                        |               |
| Discount rate   | 7.89%                  | 7.50%         |
| Future salary increase                                | 7.50%                  | 7.50%         |
| <b>Demographic Assumptions</b>                        |                        |               |
| Retirement Age (Years)                                | 60                     | 60            |
| Mortality Rates inclusive of provision for disability | 100% of IALM (2006-08) |               |
| <b>Withdrawal Rates</b>                               |                        |               |
| Up to 30 years  | 3.00%                  | 3.00%         |
| From 31 to 44 years                                   | 2.00%                  | 2.00%         |
| Above 44 years  | 1.00%                  | 1.00%         |

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Sensitivity analysis for gratuity liability:**

(₹ in lakhs)

| Description   | 31 March 2018   | 31 March 2017   |
|---|-----------------|-----------------|
| <b>a) Impact of the change in discount rate</b>           |                 |                 |
| <b>Present value of obligation at the end of the year</b> | <b>2,730.69</b> | <b>2,116.79</b> |
| a) Impact due to increase of 0.50%                        | (104.73)        | (80.26)         |
| b) Impact due to decrease of 0.50%                        | 111.70          | 85.69           |
| <b>b) Impact of the change in salary increase</b>         |                 |                 |
| <b>Present value of obligation at the end of the year</b> | <b>2,730.69</b> | <b>2,116.79</b> |
| a) Impact due to increase of 0.50%                        | 111.58          | 85.28           |
| b) Impact due to decrease of 0.50%                        | (105.58)        | (80.63)         |

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

**Maturity Profile of Defined Benefit Obligation:**

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Within the next 12 months (next annual reporting period) | 413.51        | 422.41        |
| Between 2 and 5 years                                    | 758.33        | 415.43        |
| Between 5 and 10 years                                   | 1,558.85      | 1,278.95      |

**46. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES OF THE COMPANY AS FOLLOWS:**

| S. No. | Name of Entity  |
|--------|---|
| (i)    | <b>Subsidiary companies at any time during the year</b> |
| 1.     | Aadarshini Real Estate Developers Private Limited       |
| 2.     | Abhigyan Builders & Developers Private Limited          |
| 3.     | Abhiraj Real Estate Private Limited                     |
| 4.     | Adeline Builders & Developers Private Limited           |
| 5.     | Americus Real Estate Private Limited                    |

## Notes to the Standalone Financial Statements (Contd.)

| S. No. | Name of Entity  |
|--------|---|
| 6.     | Amishi Builders & Developers Private Limited  |
| 7.     | Angelina Real Estates Private Limited   |
| 8.     | Ariadne Builders & Developers Private Limited   |
| 9.     | Armand Builders & Constructions Private Limited                                       |
| 10.    | Benedict Estates Developers Private Limited   |
| 11.    | DLF Lands India Private Limited (formerly Berenice Real Estate Private Limited)       |
| 12.    | Beyla Builders & Developers Private Limited   |
| 13.    | Bhamini Real Estate Developers Private Limited  |
| 14.    | Breeze Constructions Private Limited  |
| 15.    | Caraf Builders & Constructions Private Limited [till 25 December 2017]^               |
| 16.    | Chakradharee Estates Developers Private Limited                                       |
| 17.    | Chandrajyoti Estate Developers Private Limited  |
| 18.    | Dae Real Estates Private Limited  |
| 19.    | Daffodil Hotels Private Limited   |
| 20.    | Dalmia Promoters and Developers Private Limited                                       |
| 21.    | Delanco Home and Resorts Private Limited  |
| 22.    | Delanco Realtors Private Limited  |
| 23.    | Deltaland Buildcon Private Limited  |
| 24.    | DLF Aspinwal Hotels Private Limited   |
| 25.    | DLF Assets Private Limited [till 25 December 2017]^                                   |
| 26.    | DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited] |
| 27.    | DLF City Centre Limited [till 25 December 2017]^                                      |
| 28.    | DLF Cochin Hotels Private Limited   |
| 29.    | DLF Commercial Developers Limited   |
| 30.    | DLF Cyber City Developers Limited [till 25 December 2017]^                            |
| 31.    | DLF Emporio Limited [till 25 December 2017]^  |
| 32.    | DLF Emporio Restaurants Limited   |
| 33.    | DLF Energy Private Limited  |
| 34.    | DLF Estate Developers Limited   |
| 35.    | DLF Finvest Limited   |
| 36.    | DLF Garden City Indore Private Limited  |
| 37.    | DLF Global Hospitality Limited [till 22 March 2018]^                                  |
| 38.    | DLF Golf Resorts Limited  |
| 39.    | DLF Home Developers Limited   |
| 40.    | DLF Homes Goa Private Limited   |
| 41.    | DLF Homes Kokapet Private Limited   |
| 42.    | DLF Homes Services Private Limited  |
| 43.    | DLF Hotel Holdings Limited [till 22 March 2018]^                                      |
| 44.    | DLF Info City Hyderabad Limited [w.e.f. 10 October 2017]                              |
| 45.    | DLF Info City Chennai Limited [w.e.f. 5 October 2017]                                 |
| 46.    | DLF Info City Developers (Chandigarh) Limited [till 25 December 2017]^                |
| 47.    | DLF Info City Developers (Kolkata) Limited [till 25 December 2017]^                   |
| 48.    | DLF Info Park (Pune) Limited  |
| 49.    | DLF Info Park Developers (Chennai) Limited  |
| 50.    | DLF Luxury Homes Limited [formerly DLF GK Residency Limited]                          |
| 51.    | DLF Phase-IV Commercial Developers Limited  |
| 52.    | DLF Power & Services Limited [till 25 December 2017]^                                 |

| S. No. | Name of Entity  |
|--------|---|
| 53.    | DLF Projects Limited  |
| 54.    | DLF Promenade Limited [till 25 December 2017]^                              |
| 55.    | DLF Property Developers Limited   |
| 56.    | DLF Real Estate Builders Limited  |
| 57.    | DLF Recreational Foundation Limited   |
| 58.    | DLF Residential Builders Limited  |
| 59.    | DLF Residential Developers Limited  |
| 60.    | DLF Residential Partners Limited  |
| 61.    | DLF South Point Limited   |
| 62.    | DLF Southern Towns Private Limited  |
| 63.    | DLF Universal Limited   |
| 64.    | DLF Utilities Limited   |
| 65.    | Domus Real Estate Private Limited   |
| 66.    | Eastern India Powertech Limited   |
| 67.    | Edward Keventer (Successors) Private Limited                                |
| 68.    | Elvira Builders & Constructions Private Limited                             |
| 69.    | Faye Builders & Constructions Private Limited                               |
| 70.    | Galleria Property Management Services Private Limited                       |
| 71.    | Ghaliya Builders & Developers Private Limited                               |
| 72.    | Hansel Builders & Developers Private Limited                                |
| 73.    | Isabel Builders & Developers Private Limited                                |
| 74.    | Kolkata International Convention Centre Limited [w.e.f. 12 January 2018]    |
| 75.    | Lada Estates Private Limited  |
| 76.    | Latona Builders & Constructions Private Limited                             |
| 77.    | Lear Builders & Developers Private Limited                                  |
| 78.    | Lempo Buildwell Private Limited   |
| 79.    | Liber Buildwell Private Limited   |
| 80.    | Livana Builders & Developers Private Limited                                |
| 81.    | Lizebeth Builders & Developers Private Limited                              |
| 82.    | Lodhi Property Company Limited  |
| 83.    | Mariabella Builders & Developers Private Limited                            |
| 84.    | Melosa Builders & Developers Private Limited                                |
| 85.    | Mens Buildcon Private Limited   |
| 86.    | Nambi Buildwell Private Limited   |
| 87.    | Narooma Builders & Developers Private Limited                               |
| 88.    | Nellis Builders & Developers Private Limited                                |
| 89.    | Niobe Builders & Developers Private Limited                                 |
| 90.    | Nudhar Builders & Developers Private Limited                                |
| 91.    | Paliwal Developers Limited  |
| 92.    | Paliwal Real Estate Limited   |
| 93.    | Phoena Builders & Developers Private Limited                                |
| 94.    | Pyrite Builders & Constructions Private Limited                             |
| 95.    | Qabil Builders & Constructions Private Limited                              |
| 96.    | Rachelle Builders & Constructions Private Limited                           |
| 97.    | Richmond Park Property Management Services Limited [till 25 December 2017]^ |
| 98.    | Riveria Commercial Developers Limited                                       |
| 99.    | Rochelle Builders & Constructions Private Limited                           |

## Notes to the Standalone Financial Statements (Contd.)

| S. No.       | Name of Entity   |
|--------------|--|
| 100.         | Royalton Builders & Developers Private Limited   |
| 101.         | Saket Holidays Resorts Private Limited   |
| 102.         | Shivaji Marg Maintenance Services Limited [formerly NewGen MedWorld Hospitals Limited] |
| 103.         | Silverlink (Mauritius) Limited [till 22 March 2018]^                                   |
| 104.         | Urvasi Infratech Private Limited   |
| 105.         | Vibodh Developers Private Limited  |
| 106.         | Vkarma Capital Investment Management Company Private Limited                           |
| 107.         | Vkarma Capital Trustee Company Private Limited   |
| 108.         | Webcity Builders & Developers Private Limited  |
|              |  |
| <b>(ii)</b>  | <b>Partnership Firms</b>   |
| 1.           | DLF Commercial Projects Corporation  |
| 2.           | DLF Gayatri Developers   |
| 3.           | DLF Green Valley   |
| 4.           | DLF Office Developers  |
| 5.           | Rational Builders and Developers   |
|              |  |
| <b>(iii)</b> | <b>Joint Venture (J)/ Associates (A)</b>   |
| 1.           | Banjara Hills Hyderabad Complex (J)  |
| 2.           | DLF Midtown Private Limited (J)  |
| 3.           | DLF SBPL Developers Private Limited (J)  |
| 4.           | DLF Urban Private Limited (J)  |
| 5.           | DLF Gayatri Home Developers Private Limited (J)  |
| 6.           | GSG DRDL Consortium (J)  |
| 7.           | YG Realty Private Limited (J)  |
| 8.           | Designplus Associates Services Private Limited (J)                                     |
| 9.           | DLF Homes Panchkula Private Limited (A)  |
| 10.          | Joyous Housing Limited (J)   |
| 11.          | Arizona Globalservices Private Limited (A)   |
| 12.          | <b>DCCDL Group Comprise the following [w.e.f. 26 December 2017] (J)^</b>               |
| i.           | Caraf Builders & Constructions Private Limited   |
| ii.          | DLF Assets Private Limited   |
| iii.         | DLF City Centre Limited  |
| iv.          | DLF Cyber City Developers Limited  |
| v.           | DLF Emporio Limited  |
| vi.          | DLF Info City Developers (Chandigarh) Limited  |
| vii.         | DLF Info City Developers (Kolkata) Limited   |
| viii.        | DLF Power & Services Limited   |
| ix.          | DLF Promenade Limited  |
| x.           | Richmond Park Property Management Services Limited                                     |

<sup>^</sup> Due to terms and conditions of SPSHA, between the Company and Investor, requiring unanimity of agreement in respect of significant matters related to the financial and operating policies of DCCDL and its subsidiaries ("DCCDL Group"), the Company considers that it does not solely control DCCDL Group and therefore investment in DCCDL Group has been accounted for as joint venture in accordance with Ind AS 28 'Investment in Associated and Joint Ventures' and Ind AS 111 'Joint Arrangements'. Refer note 64 for details.

<sup>^^</sup> During the year, pursuant to National Company Law Tribunal order these companies have been merged with Lodhi Property Company Limited. Accordingly, the transactions with the said entities during the year ended 31 March 2018 and balance outstanding thereon on that date have been disclosed as transactions with and balances outstanding to as the case may be, Lodhi Property Company Limited during the year ended as of 31 March 2018.

#### 47. DISCLOSURES UNDER IND AS 24 - RELATED PARTY TRANSACTIONS

**a) Holding company**

Rajdhani Investments & Agencies Private Limited (w.e.f. 12 March 2018)

**b) Subsidiaries/ Joint ventures/ Associates**

Details are presented in Note 46.

**c) Key management personnel, their relatives and Other enterprises under the control of the key management personnel and their relatives:**

| Name of key management personnel | Designation                                  | Relatives  |
|----------------------------------|--|--|
| Dr. K.P. Singh                   | Chairman                                     | Ms. Renuka Talwar (Daughter)<br>Ms. Pia Singh (Daughter) |
| Mr. Rajiv Singh                  | Vice Chairman                                | Ms. Anushka Singh (Daughter)                             |
| Mr. Rajeev Talwar                | CEO & Whole-time Director                    |  |
| Mr. Mohit Gujral                 | CEO & Whole-time Director                    |  |
| Mr. Ashok Kumar Tyagi            | Whole-time Director [w.e.f. 1 December 2017] |  |
| Mr. Devinder Singh               | Whole-time Director [w.e.f. 1 December 2017] |  |

**Other enterprises under the control of the key management personnel and their relatives:**

| S. No. | Name of Entity   |
|--------|--|
| 1.     | A.S.G. Realcon Private Limited   |
| 2.     | Adampur Agricultural Farm  |
| 3.     | Adept Real Estate Developers Private Limited                           |
| 4.     | AGS Buildtech Private Limited  |
| 5.     | Alfa Investments Global Limited  |
| 6.     | Angus Builders & Developers Private Limited                            |
| 7.     | Antriksh Properties Private Limited                                    |
| 8.     | Anubhav Apartments Private Limited                                     |
| 9.     | Arihant Housing Company*   |
| 10.    | Atria Partners   |
| 11.    | B&M Hotbreads Private Limited  |
| 12.    | Beckon Investments Company Limited                                     |
| 13.    | Belicia Builders & Developers Private Limited                          |
| 14.    | Beverly Builders LLP   |
| 15.    | Buland Consultants & Investments Private Limited [till 7 March 2018]## |
| 16.    | Carreen Builders & Developers Private Limited [till 31 August 2017]**  |
| 17.    | Centre Point Property Management Services LLP                          |
| 18.    | CGS Charitable Trust   |
| 19.    | Ch. Lal Chand Memorial Charitable Trust                                |
| 20.    | Cian Retail Private Limited  |
| 21.    | Das Retail Private Limited [till 31 August 2017]**                     |
| 22.    | DBL Kidskart Online Private Limited                                    |
| 23.    | Delanco Buildcon Private Limited                                       |
| 24.    | Desent Promoters & Developers Private Limited                          |

## Notes to the Standalone Financial Statements (Contd.)

| S. No. | Name of Entity  |
|--------|---|
| 25.    | Diana Retail Private Limited [till 31 August 2017]**  |
| 26.    | DLF Brands Limited  |
| 27.    | DLF Building & Services Private Limited   |
| 28.    | DLF Commercial Enterprises  |
| 29.    | DLF Employees Welfare Trust   |
| 30.    | DLF Foundation  |
| 31.    | DLF Investments Private Limited [till 7 March 2018]#  |
| 32.    | DLF M.T.FBD Medical and Community Facilities Charitable Trust   |
| 33.    | DLF Q.E.C. Educational Charitable Trust   |
| 34.    | DLF Q.E.C. Medical Charitable Trust   |
| 35.    | DLF Raghvendra Temple Trust   |
| 36.    | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] |
| 37.    | Dreamweaver Investment and Business Solutions Private Limited   |
| 38.    | Elephanta Estates Private Limited   |
| 39.    | Eros Retail Private Limited   |
| 40.    | Excalibur Capital [w.e.f. 12 December 2017]   |
| 41.    | Excel Housing Construction LLP  |
| 42.    | Exe. of The Estate of Lt. Ch. Raghvendra Singh  |
| 43.    | Exotic R - Online Fashion Private Limited [till 31 August 2017]**   |
| 44.    | First City Management Company Private Limited [till 31 March 2017]  |
| 45.    | Gangrol Agricultural Farm & Orchard   |
| 46.    | General Marketing Corporation   |
| 47.    | Giorgio Armani India Private Limited  |
| 48.    | Glensdale Enterprise Development Private Limited  |
| 49.    | Good Luck Trust   |
| 50.    | Gujral Design Plus Overseas Private Limited   |
| 51.    | Haryana Electrical Udyog Private Limited [till 7 March 2018]###   |
| 52.    | Herminda Builders & Developers LLP  |
| 53.    | Hitech Property Developers Private Limited  |
| 54.    | IKPS Family Trust   |
| 55.    | Indira Trust  |
| 56.    | Ishtar Retail LLP   |
| 57.    | Jhandewalan Ancillaries LLP   |
| 58.    | JSF Food Private Limited  |
| 59.    | Jubilant Brands Private Limited   |
| 60.    | Jubilant Consumer Private Limited   |
| 61.    | Juno Retail Private Limited [till 31 August 2017]**   |
| 62.    | K.P. Singh HUF  |
| 63.    | Kapo Retail Private Limited [till 31 August 2017]**   |
| 64.    | Kiko Cosmetics Retail Private Limited   |
| 65.    | Kohinoor Real Estates Company* [till 12 March 2018]###  |
| 66.    | KPS Family Trust  |

| S. No. | Name of Entity   |
|--------|--|
| 67.    | K.P. Singh Foundation Trust [w.e.f. 7 March 2018]              |
| 68.    | K.P. Singh Charitable Foundation Trust [w.e.f. 27 March 2018]  |
| 69.    | Krishna Public Charitable Trust                                |
| 70.    | Lal Chand Public Charitable Trust                              |
| 71.    | Lion Brand Poultries   |
| 72.    | Madhukar Housing and Development Company*                      |
| 73.    | Madhur Housing and Development Company* [till 7 March 2018]#   |
| 74.    | Mallika Housing Company LLP                                    |
| 75.    | Megha Estates Private Limited [till 7 March 2018]#             |
| 76.    | Mohit Design Management Private Limited                        |
| 77.    | Nachiketa Family Trust   |
| 78.    | Northern India Theatres Private Limited                        |
| 79.    | Panchsheel Investment Company* [till 7 March 2018]##           |
| 80.    | Paramhansa Yogananda Public Charitable Trust                   |
| 81.    | Parvati Estates LLP  |
| 82.    | Pia Pariwar Trust  |
| 83.    | Plaza Partners   |
| 84.    | Power Housing and Developers Private Limited                   |
| 85.    | Prem Traders LLP   |
| 86.    | Prem's Will Trust  |
| 87.    | Prima Associates Private Limited                               |
| 88.    | Pushpak Builders and Developers Private Limited                |
| 89.    | Quorum Club LLP [w.e.f. 20 April 2017]                         |
| 90.    | R.R Family Trust   |
| 91.    | Raghvendra Public Charitable Trust                             |
| 92.    | Raisina Agencies LLP   |
| 93.    | Rajdhani Investments & Agencies Private Limited                |
| 94.    | Realest Builders and Services Private Limited                  |
| 95.    | Renkon Overseas Development Limited                            |
| 96.    | Renkon Partners  |
| 97.    | Renuka Pariwar Trust   |
| 98.    | Rhea Retail Private Limited                                    |
| 99.    | Rod Retail Private Limited                                     |
| 100.   | Sabre Capital Worldwide  |
| 101.   | Sabre Investment Advisor India Private Limited                 |
| 102.   | Sabre Investment Consultants LLP                               |
| 103.   | Sambhav Housing and Development Company*                       |
| 104.   | Sarna Exports International                                    |
| 105.   | Sarna Exports Limited  |
| 106.   | Satish Gujral  |
| 107.   | Sidhant Housing and Development Company* [till 7 March 2018]## |
| 108.   | Singh Family Trust   |



## Notes to the Standalone Financial Statements (Contd.)

| S. No. | Name of Entity  |
|--------|---|
| 109.   | Sketch Promoters and Developers Private Limited                   |
| 110.   | Skills Academy Private Limited                                    |
| 111.   | Skills Education Private Limited                                  |
| 112.   | Skills for India  |
| 113.   | Smt. Savitri Devi Memorial Charitable Trust                       |
| 114.   | Solace Housing and Construction Private Limited                   |
| 115.   | Solange Retail Private Limited                                    |
| 116.   | Span Fashions Limited   |
| 117.   | Sudarshan Estates LLP   |
| 118.   | Sukh Sansar Housing Private Limited                               |
| 119.   | Sunrise BPO Services Pte Ltd.                                     |
| 120.   | Super Mart Two Property Management Services LLP                   |
| 121.   | Trinity Housing and Construction Company*                         |
| 122.   | Udyan Housing and Development Company*                            |
| 123.   | Universal Management and Sales LLP                                |
| 124.   | Uttam Builders and Developers Private Limited                     |
| 125.   | Uttam Real Estates Company*                                       |
| 126.   | Vishal Foods and Investments Private Limited [till 7 March 2018]# |
| 127.   | Wagishwari Estates Private Limited                                |
| 128.   | Yashika Properties and Development Company* [till 7 March 2018]## |
| 129.   | Yogananda Films LLP   |
| 130.   | Zigma Processing and Manufacturing Private Limited                |

\* A private company with unlimited liability.

\*\* These entities have been merged with DLF Brands Limited

# Pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, these companies have been merged with Kohinoor Real Estates Company w.e.f. 7 March 2018.

## Pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, these companies have been merged with Rajdhani Investments & Agencies Private Limited w.e.f. 7 March 2018.

### Pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the Company has been merged with Rajdhani Investments & Agencies Private Limited w.e.f. 12 March 2018.

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

i) **Key management personnel compensation**

(₹ in lakhs)

| Description  | 31 March 2018   | 31 March 2017   |
|--|-----------------|-----------------|
| Salaries, wages and bonus [including Employee Shadow Option Scheme (cash settled options)] | 5,361.42        | 3,704.07        |
| Post-employment benefits   | 62.64           | 88.61           |
| <b>Total compensation</b>  | <b>5,424.06</b> | <b>3,792.68</b> |

ii) **Transactions during the year**

(₹ in lakhs)

| Description                              | Subsidiaries/ Partnership firms under control |               | Associates    |               |
|--|---|---------------|---------------|---------------|
|  | 31 March 2018                                 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Sale of land and constructed properties# | 88,345.10                                     | 58,492.55     | -             | -             |
| Development charges                      | 729.18  | (21,849.82)   | -             | -             |
| Royalty income                           | -   | -             | (81.20)       | (321.71)      |

(₹ in lakhs)

| Description   | Subsidiaries/ Partnership firms under control |               | Associates    |               |
|---|---|---------------|---------------|---------------|
|   | 31 March 2018                                 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Dividend income   | 21,307.64                                     | 1,899.71      | -             | -             |
| Interest income   | 11,412.07                                     | 56,588.62     | -             | -             |
| Miscellaneous income#   | 973.74  | 957.47        | -             | -             |
| Profit on sale of Investments   | 851.17  | -             | -             | -             |
| Rent received#  | 794.92  | 1,009.11      | -             | -             |
| Maintenance and service charges paid#   | 11,550.83                                     | 15,172.70     | -             | -             |
| Expenses recovered#   | 5,205.36                                      | 7,446.27      | 75.46         | 55.38         |
| Purchase of land, developed plots and material  | -   | 274.01        | -             | -             |
| Purchase of fixed assets  | -   | 182.77        | -             | -             |
| Rent paid#  | 2,604.82                                      | 2,750.16      | -             | -             |
| Interest paid   | 6,116.96                                      | 375.00        | -             | -             |
| Expenses paid   | 5,409.10                                      | 8,352.55      | -             | -             |
| Payments under construction contracts   | (304.52)                                      | -             | -             | -             |
| Investments purchased/ subscribed   | 190,233.41                                    | 352,199.64    | -             | -             |
| Investment sold   | 10.91   | 5.00          | -             | -             |
| Loss from partnership firms (net)   | (4,535.70)                                    | (5,508.53)    | -             | -             |
| Loans given   | 318,952.00                                    | 31,896.43     | -             | -             |
| Loans received back   | 138,146.14                                    | 516,996.73    | -             | -             |
| Loans taken   | 251,165.00                                    | -             | -             | -             |
| Loans refunded back   | 251,911.00                                    | -             | -             | -             |
| Guarantees given/ (refunded)  | (511,875.84)                                  | (134,769.00)  | -             | -             |
| Earnest money paid under agreement to purchase land/ development rights               | 39,218.50                                     | 73,470.00     | -             | -             |
| Earnest money paid under agreement to purchase land/ development rights refunded back | 14,836.83                                     | 25,294.00     | -             | -             |

# Figures shown above are net of service tax/ GST.

(₹ in lakhs)

| Description                           | Joint venture |               |
|---------------------------------------|---------------|---------------|
|                                       | 31 March 2018 | 31 March 2017 |
| Development charges                   | (32.55)       | -             |
| Rent received#                        | 24.39         | -             |
| Interest income                       | 8,076.58      | 6,820.45      |
| Miscellaneous income                  | 8.09          | 54.63         |
| Expenses recovered#                   | 114.49        | -             |
| Rent Paid                             | 150.12        | -             |
| Interest paid                         | 1,785.99      | -             |
| Maintenance and service charges paid# | 3,654.55      | -             |
| Loans refunded back                   | 31,825.01     | -             |
| Expenses paid                         | 146.06        | 142.24        |
| Advances given (net)                  | -             | 6,215.00      |

# Figures shown above are net of service tax/ GST.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| Description                                    | KMP and their relatives |               | Enterprises over which KMP is able to exercise significant influence |               |
|--|-------------------------|---------------|--|---------------|
|  | 31 March 2018           | 31 March 2017 | 31 March 2018  | 31 March 2017 |
| Rent paid#                                     | -                       | -             | 26.91  | 119.51        |
| Expenses recovered#                            | -                       | -             | 8.22   | 16.44         |
| Salary and wages                               | -                       | 97.24         | -  | -             |
| Directors' fees and commission                 | 37.50                   | 38.02         | -  | -             |
| Miscellaneous income#                          | 79.99                   | 138.94        | 649.84   | 962.68        |
| Rent received#                                 | -                       | -             | 305.34   | 493.42        |
| Interest paid                                  | -                       | -             | 87.05  | 302.56        |
| Expenses paid                                  | -                       | -             | 1,343.20   | 689.70        |
| Warrant subscribed                             | -                       | -             | 75,010.36  | -             |
| Compulsorily convertible debentures subscribed | -                       | -             | 825,000.00   | -             |
| Advance received under agreement to sell*      | 60.00                   | 3,225.46      | 109.00   | 1,140.78      |
| Guarantees given/ (refunded)                   | -                       | -             | (263.81)   | 51.75         |

\* Revenue has been recognized as per the percentage of completion method [refer significant accounting policy no. 2.2(h)] on a project as a whole and not on individual basis.

# Figures shown above are net of service tax/ GST.

iii) Balance at the end of the year

(₹ in lakhs)

| Description  | Subsidiaries/ Partnership firms under control |               |
|--|---|---------------|
|  | 31 March 2018                                 | 31 March 2017 |
| Trade receivables (including unbilled receivables)   | 41,698.72                                     | 54,784.18     |
| Investments in shares/ partnership firms   | 893,573.94                                    | 718,075.61    |
| Loans and advances given   | 266,341.47                                    | 80,238.24     |
| Earnest money and part payments under agreement to purchase land/ development rights/ constructed properties (net of interest capitalized) | 306,381.35                                    | 287,824.50    |
| Trade payables/ amounts payable  | 27,147.15                                     | 21,400.80     |
| Guarantees given   | 387,416.09                                    | 986,232.00    |
| Advances received under agreement to sell  | 6,583.67                                      | 31,253.04     |
| Security deposit received  | 137.51  | 445.43        |
| Unsecured loan taken   | 2,254.00                                      | 3,000.00      |
| Interest payable   | 1,424.21                                      | 1,350.00      |
| Security deposit paid  | 194.51  | 269.52        |

(₹ in lakhs)

| Description                               | Joint ventures |               |
|---|----------------|---------------|
|   | 31 March 2018  | 31 March 2017 |
| Trade receivables                         | 125.13         | -             |
| Investments in shares                     | 21,815.05      | 6,109.56      |
| Loans and advances given                  | 24,593.79      | 53,256.26     |
| Trade payables/ amounts payable           | 3,704.85       | 6.29          |
| Guarantees given                          | 86,940.07      | -             |
| Advances received under agreement to sell | 7,950.19       | -             |
| Interest payable                          | 1,607.39       | -             |
| Security deposit received                 | 348.85         | -             |
| Security deposit paid                     | 169.96         | -             |

(₹ in lakhs)

| Description  | Associates    |               |
|--|---------------|---------------|
|  | 31 March 2018 | 31 March 2017 |
| Trade receivables (including unbilled receivables) | 4,645.54      | 4,479.33      |
| Investments in shares/ partnership firms           | 10.30         | 10.30         |
| Loans and advances given                           | 69.59         | 23.68         |

(₹ in lakhs)

| Description                               | Key Management Personnel (KMP) and their relatives |               |
|---|--|---------------|
|   | 31 March 2018                                      | 31 March 2017 |
| Trade receivables                         | 534.09   | 62.17         |
| Advance received under agreement to sell* | 14,519.76  | 14,107.75     |
| Amount recoverable/ advances              | 2,300.00   | 2,300.00      |
| Trade payables/ amounts payable           | 1,280.68   | 1,025.56      |

(₹ in lakhs)

| Description  | Enterprises over which KMP is able to exercise significant influence |               |
|--|--|---------------|
|  | 31 March 2018  | 31 March 2017 |
| Warrant  | 75,010.36  | -             |
| Compulsorily convertible debentures  | 825,000.00   | -             |
| Trade receivables  | 476.50   | 217.28        |
| Security deposit received  | 192.56   | 203.79        |
| Investments  | 465.03   | 853.92        |
| Earnest money and part payments under agreement to purchase land/ constructed properties | 255.59   | 255.59        |
| Advance received under agreement to sell*  | 38,645.07  | 38,536.07     |
| Amount recoverable/ advances   | 41.65  | 942.25        |
| Trade payables/ amounts payable  | -  | 0.30          |
| Interest payable   | 18.78  | -             |
| Guarantees given (net)   | 2,793.19   | 3,057.00      |

\* Revenue has been recognized as per the percentage of completion method [refer significant accounting policy no. 2.2(h)] on a project as a whole and not on individual basis.

#### Terms and conditions of transactions with related parties:

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs by cheque/ RTGS.
2. The Company has given loans to related parties which are repayable on demand. These loans are provided at interest rates of 11.50% p.a. to subsidiary companies and at interest as per agreement to joint ventures. The loans have been utilized by the related parties for business purposes.
3. The Company has taken loans from related parties which are repayable on demand. These loans carry interest @11.50% p.a. to 12.50% p.a. The loans have been utilized for meeting the working capital requirements.
4. The Company has given corporate guarantee to the bank in respect of loan taken by the subsidiaries/ associate companies and joint ventures from that bank and financial institution and vice versa.
5. The Company provides business and financial support to certain subsidiaries/ associate companies, which are in losses and is dependent on parent Company for meeting out their cash requirements.

## Notes to the Standalone Financial Statements (Contd.)

Above includes the following material transactions:

(₹ in lakhs)

| Description  | Key Management Personnel     |                 |               |
|--|------------------------------|-----------------|---------------|
|  | Transactions during the year | Name of the KMP | 31 March 2018 |
| Salaries, wages and bonus [including Employee Shadow Option Scheme (cash settled options)] | Dr. K.P. Singh               | 1,052.95        | 680.86        |
|  | Mr. Rajiv Singh              | 544.17          | 548.73        |
|  | Mr. Rajeev Talwar            | 624.29          | 623.62        |
|  | Mr. Mohit Gujral             | 2,726.40        | 1,520.03      |
| Post-employment benefits   | Dr. K.P. Singh               | 12.61           | 12.61         |
|  | Mr. Rajiv Singh              | -               | 30.19         |
|  | Mr. Rajeev Talwar            | 3.09            | 14.59         |
|  | Mr. Mohit Gujral             | 25.48           | 31.21         |
|  | Mr. Ashok Kumar Tyagi        | 8.33            | -             |
|  | Mr. Devinder Singh           | 15.68           | -             |

(₹ in lakhs)

| Description  | Subsidiaries/ Partnership firms under control             |                   |               |
|--|---|-------------------|---------------|
|  | Transactions during the year                              | Name of the Party | 31 March 2018 |
| Sale of land and constructed properties#           | DLF Home Developers Limited                               | 52,869.48         | 58,492.55     |
|  | DLF Luxury Homes Limited                                  | 35,035.00         | -             |
| Development charges                                | DLF Assets Private Limited [till 25 December 2017]        | 729.18            | (21,849.82)   |
| Dividend income                                    | DLF Cyber City Developers Limited [till 25 December 2017] | 21,307.10         | -             |
|  | DLF Hotel Holdings Limited                                | -                 | 1,854.90      |
| Interest income                                    | DLF Home Developers Limited                               | 4,141.52          | 34,217.34     |
|  | Breeze Constructions Private Limited                      | 1,526.70          | 1,817.10      |
|  | DLF Utilities Limited                                     | 2,020.64          | 384.44        |
| Miscellaneous income (including service receipts)# | DLF Home Developers Limited                               | 501.66            | 743.75        |
|  | Niobe Builders & Developers Private Limited               | 124.00            | -             |
|  | DLF Golf Resorts Limited                                  | 196.44            | -             |
|  | DLF Utilities Limited                                     | 0.54              | 130.66        |
| Profit on sale of Investments                      | DLF Cyber City Developers Limited [till 25 December 2017] | 851.17            | -             |
| Rent received#                                     | DLF Recreational Foundation Limited                       | 350.00            | 333.33        |
|  | DLF Home Developers Limited                               | 233.58            | 371.89        |
|  | DLF Homes Services Private Limited                        | 148.00            | 148.00        |
| Maintenance and service charges paid#              | DLF Utilities Limited                                     | 29.70             | 13,567.86     |
|  | DLF Homes Services Private Limited                        | 1,530.18          | 826.56        |
|  | DLF Power & Services Limited [till 25 December 2017]      | 9,295.63          | -             |
| Expenses recovered#                                | DLF Cyber City Developers Limited [till 25 December 2017] | 2,272.32          | 1,605.98      |
|  | DLF Home Developers Limited                               | 994.17            | 3,681.20      |
|  | Nambi Buildwell Private Limited                           | 1,484.08          | 1,630.15      |
| Purchase of land, developed plots and material     | DLF Utilities Limited                                     | -                 | 246.63        |
| Purchase of fixed assets                           | DLF Universal Limited                                     | -                 | 182.77        |
| Rent paid#   | DLF Cyber City Developers Limited [till 25 December 2017] | 407.66            | 541.66        |
|  | DLF Office Developers                                     | 426.22            | 256.69        |
|  | DLF Home Developers Limited                               | 1,599.97          | 1,730.48      |

(₹ in lakhs)

| Description  | Subsidiaries/ Partnership firms under control   |                   |               |
|--|---|-------------------|---------------|
|  | Transactions during the year  | Name of the Party | 31 March 2018 |
| Interest paid  | DLF Gayatri Developers  | 323.57            | 375.00        |
|  | DLF Home Developers Limited   | 5,793.39          | -             |
| Expenses paid  | DLF Home Developers Limited   | 4,322.93          | 6,304.32      |
|  | DLF Golf Resorts Limited  | 611.75            | 761.67        |
|  | DLF Utilities Limited   | -                 | 937.06        |
| Payments under construction contracts  | DLF Projects Limited  | (304.52)          | -             |
| Investments purchased/<br>subscribed   | DLF Home Developers Limited   | 149,900.31        | 250,099.65    |
|  | DLF Utilities Limited   | 40,287.88         | -             |
|  | Edward Keventer (Successors) Private Limited  | -                 | 42,500.00     |
|  | DLF Luxury Homes Limited  | 40.04             | 59,600.00     |
| Investments sold   | Shivaji Marg Maintenance Services Limited<br>[formerly NewGen MedWorld Hospitals Limited] | -                 | 5.00          |
|  | DLF City Centre Limited [till 25 December 2017]   | 10.00             | -             |
| Profit/ (loss) on partnership<br>firms (net)   | DLF Office Developers   | 989.00            | 912.43        |
|  | DLF Commercial Projects Corporation   | (1,177.78)        | (5,647.46)    |
|  | DLF Gayatri Developers  | (1,133.84)        | (337.11)      |
|  | DLF Green Valley  | (260.44)          | (434.29)      |
|  | Rational Builders and Developers  | (2,952.64)        | (2.10)        |
| Loans given  | DLF Home Developers Limited   | 149,441.00        | 26,157.00     |
|  | Eastern India Powertech Limited   | 70,080.00         | -             |
|  | DLF Utilities Limited   | 67,707.00         | 3,733.00      |
| Loans received back  | DLF Home Developers Limited   | 37,900.00         | 309,352.88    |
|  | Eastern India Powertech Limited   | 70,080.00         | 44,269.88     |
| Loans taken  | DLF Home Developers Limited   | 251,165.00        | -             |
| Loans refunded back  | DLF Home Developers Limited   | 251,165.00        | -             |
| Guarantees given/ (refunded)   | DLF Utilities Limited   | (156,410.00)      | 23,593.00     |
|  | DLF Cyber City Developers Limited [till 25 December 2017]                                 | (362,507.84)      | (71,405.00)   |
|  | DLF Home Developers Limited   | 32,177.05         | (95,777.00)   |
|  | DLF Info City Developers (Chandigarh) Limited<br>[till 25 December 2017]                  | -                 | (7,500.00)    |
|  | Lodhi Property Company Limited  | (6,357.25)        | (6,059.00)    |
|  | Eastern India Powertech Limited   | (70,000.00)       | 70,000.00     |
|  | Nambi Buildwell Private Limited   | 49,461.00         | -             |
|  | DLF Info City Developers (Kolkata) Limited<br>[till 25 December 2017]                     | -                 | (32,500.00)   |
| Earnest money paid under<br>agreement to purchase land/<br>development rights                  | DLF Commercial Projects Corporation   | 38,174.00         | 69,716.00     |
| Earnest money paid under<br>agreement to purchase land/<br>development rights refunded<br>back | DLF Commercial Projects Corporation   | 11,578.00         | 24,804.00     |
|  | Rational Builders and Developers  | 3,258.83          | 490.00        |

# Figures shown above are net of service tax/ GST.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| Description                           | Joint ventures  |                   |               |
|---------------------------------------|---|-------------------|---------------|
|                                       | Transactions during the year                                | Name of the Party | 31 March 2018 |
| Development charges                   | DLF Assets Private Limited [w.e.f. 26 December 2017]        | (32.55)           | -             |
| Interest income                       | Joyous Housing Limited                                      | 8,076.58          | 6,820.45      |
| Rent received                         | DLF Assets Private Limited [w.e.f. 26 December 2017]        | 23.93             | -             |
| Miscellaneous income#                 | DLF Assets Private Limited [w.e.f. 26 December 2017]        | 7.84              | -             |
|                                       | DLF Southern Homes Private Limited [till 20 March 2017]     | -                 | 38.02         |
|                                       | YG Realty Private Limited                                   | -                 | 16.61         |
| Expenses recovered#                   | DLF Cyber City Developers Limited [w.e.f. 26 December 2017] | 73.95             | -             |
|                                       | DLF Assets Private Limited [w.e.f. 26 December 2017]        | 36.81             | -             |
| Rent paid                             | DLF Cyber City Developers Limited [w.e.f. 26 December 2017] | 136.67            | -             |
| Interest paid                         | DLF Assets Private Limited [w.e.f. 26 December 2017]        | 1,785.99          | -             |
| Maintenance and service charges paid# | DLF Power & Services Limited [w.e.f. 26 December 2017]      | 3,585.88          | -             |
| Loans received back                   | Joyous Housing Limited                                      | 31,825.01         | -             |
| Expenses paid                         | DLF Power & Services Limited [w.e.f. 26 December 2017]      | 82.01             | -             |
|                                       | Designplus Associates Services Private Limited              | 64.05             | 142.24        |
| Advances given (net)                  | Joyous Housing Limited                                      | -                 | 6,215.00      |

# Figures shown above are net of service tax/ GST.

(₹ in lakhs)

| Description         | Associates                          |                   |               |
|---------------------|-------------------------------------|-------------------|---------------|
|                     | Transactions during the year        | Name of the Party | 31 March 2018 |
| Royalty Income      | DLF Homes Panchkula Private Limited | (81.20)           | (321.71)      |
| Expenses recovered# | DLF Homes Panchkula Private Limited | 75.46             | 55.38         |

# Figures shown above are net of service tax/ GST.

(₹ in lakhs)

| Description                               | Key Management Personnel (KMP) and their relatives |                            |               |
|---|--|----------------------------|---------------|
|   | Transactions during the year                       | Name of the KMP/ Relatives | 31 March 2018 |
| Salary and wages                          | Ms. Renuka Talwar                                  | -                          | 97.24         |
| Directors' fees and commission            | Ms. Pia Singh                                      | 37.50                      | 38.02         |
| Miscellaneous income                      | Mr. Rajiv Singh                                    | -                          | 84.57         |
|   | Ms. Renuka Talwar                                  | 62.05                      | 33.77         |
|   | Ms. Pia Singh                                      | 17.89                      | 20.44         |
| Advance received under agreement to sell* | Ms. Pia Singh                                      | -                          | 1,375.89      |
|   | Ms. Anushka Singh                                  | -                          | 1,068.94      |
|   | Mr. Mohit Gujral                                   | -                          | 780.62        |
|   | Mr. Rajeev Talwar                                  | 52.50                      | -             |
|   | Mr. Ashok Kumar Tyagi                              | 7.50                       | -             |

(₹ in lakhs)

| Description                                    | Enterprises over which KMP is able to exercise significant influence  |                   |               |
|--|---|-------------------|---------------|
|  | Transactions during the year  | Name of the Party | 31 March 2018 |
| Rent paid#                                     | DLF Q.E.C. Educational Charitable Trust   | 22.29             | 99.00         |
|  | DLF Q.E.C. Medical Charitable Trust   | 4.62              | 20.51         |
| Expenses recovered#                            | DLF Building & Services Private Limited   | 5.23              | 16.44         |
|  | DLF Brands Limited  | 1.62              | -             |
| Miscellaneous income                           | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 396.71            | 664.71        |
| Rent received                                  | Diana Retail Private Limited  | -                 | 158.69        |
|  | DLF Brands Limited  | 71.99             | 91.24         |
|  | DLF Building & Services Private Limited   | 26.91             | 95.94         |
|  | Rod Retail Private Limited  | 49.21             | 31.67         |
|  | Kiko Cosmetics Retail Private Limited   | 36.55             | 20.82         |
|  | Rhea Retail Private Limited   | 119.59            | 95.06         |
| Expenses paid                                  | DLF Foundation  | 1,266.00          | 685.00        |
| Interest paid                                  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 49.02             | 131.57        |
|  | Rajdhani Investments & Agencies Private Limited   | 19.74             | -             |
|  | Mallika Housing Company LLP   | 9.37              | -             |
|  | Diana Retail Private Limited  | -                 | 123.63        |
| Warrant subscribed                             | Rajdhani Investments & Agencies Private Limited   | 67,510.36         | -             |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 7,500.00          | -             |
| Compulsorily convertible debentures subscribed | Rajdhani Investments & Agencies Private Limited   | 795,000.00        | -             |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 30,000.00         | -             |
| Advance received under agreement to sell*      | Realest Builders & Services Private Limited   | -                 | 380.26        |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 109.00            | -             |
|  | A.S.G. Realcon Private Limited  | -                 | 380.26        |
|  | AGS Buildtech Private Limited   | -                 | 380.26        |
| Guarantees given/ (refunded)                   | DLF Brands Limited  | (263.81)          | 51.75         |

# Figures shown above are net of service tax/ GST.

(₹ in lakhs)

| Description  | Subsidiaries/ Partnership firms under control         |                   |               |
|--|---|-------------------|---------------|
|  | Balance at the end of the year                        | Name of the Party | 31 March 2018 |
| Trade receivables (including unbilled receivables) | DLF Luxury Homes Limited                              | 35,192.49         | -             |
|  | DLF Home Developers Limited                           | 6,506.23          | 54,780.22     |
| Investments in shares/ partnership firms           | DLF Hotel Holdings Limited                            | 132,493.00        | 132,493.00    |
|  | DLF Home Developers Limited                           | 520,966.35        | 371,660.31    |
| Loans and advances given                           | DLF Home Developers Limited                           | 132,379.10        | 16,871.08     |
|  | Breeze Constructions Private Limited                  | -                 | 18,366.19     |
|  | Galleria Property Management Services Private Limited | -                 | 8,860.89      |
|  | Nambi Buildwell Private Limited                       | -                 | 9,437.22      |
|  | DLF Utilities Limited                                 | 70,708.34         | 111.55        |



Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| Description  | Subsidiaries/ Partnership firms under control             |                   |               |
|--|---|-------------------|---------------|
|  | Balance at the end of the year                            | Name of the Party | 31 March 2018 |
| Earnest money and part payments under agreement to purchase land/ development rights/ constructed properties (net of interest capitalized) | DLF Commercial Projects Corporation                       | 225,565.82        | 198,969.82    |
|  | Rational Builders and Developers                          | 60,293.30         | 71,345.27     |
| Trade payables/ amounts payable  | DLF Home Developers Limited                               | 13,023.92         | 4,908.56      |
|  | DLF Golf Resorts Limited                                  | 9,590.96          | 8,466.45      |
| Guarantees given   | DLF Home Developers Limited                               | 329,013.34        | 298,610.00    |
|  | DLF Cyber City Developers Limited [till 25 December 2017] | -                 | 386,182.00    |
|  | Nambi Buildwell Private Limited                           | 49,461.00         | -             |
|  | DLF Utilities Limited                                     | -                 | 156,410.00    |
| Advances received under agreement to sell  | DLF Home Developers Limited                               | 6,583.67          | 22,606.22     |
|  | DLF Assets Private Limited [till 25 December 2017]        | -                 | 8,646.82      |
| Security deposit received  | DLF Utilities Limited                                     | -                 | 102.95        |
|  | DLF Home Developers Limited                               | 137.50            | 342.48        |
| Unsecured loan (taken)   | DLF Gayatri Developers                                    | 2,254.00          | 3,000.00      |
| Interest payable   | DLF Gayatri Developers                                    | 1,424.21          | 1,350.00      |
| Security deposits paid   | DLF Golf Resorts Limited                                  | 23.85             | 25.00         |
|  | DLF Cyber City Developers Limited [till 25 December 2017] | -                 | 153.82        |
|  | DLF Office Developers                                     | 156.05            | 76.09         |

(₹ in lakhs)

| Description                               | Joint venture  |                   |               |
|---|--|-------------------|---------------|
|   | Balance at the end of the year   | Name of the Party | 31 March 2018 |
| Trade receivables                         | DLF Assets Private Limited [w.e.f. 26 December 2017]                     | 113.84            | -             |
| Investments in shares                     | DLF Cyber City Developers Limited [w.e.f. 26 December 2017]              | 1,669.28          | -             |
|   | Joyous Housing Limited   | 6,109.56          | 6,109.56      |
|   | Caraf Builders & Constructions Private Limited [w.e.f. 26 December 2017] | 14,036.21         | -             |
| Loans and advances given                  | Joyous Housing Limited   | 24,560.27         | 53,256.26     |
| Trade payables/ amounts payable           | DLF Power & Services Limited [w.e.f. 26 December 2017]                   | 3,704.85          | -             |
|   | Designplus Associates Services Private Limited                           | -                 | 6.29          |
| Guarantees given                          | DLF Cyber City Developers Limited [w.e.f. 26 December 2017]              | 24,181.87         | -             |
|   | DLF Assets Private Limited [w.e.f. 26 December 2017]                     | 59,848.20         | -             |
| Advances received under agreement to sell | DLF Assets Private Limited [w.e.f. 26 December 2017]                     | 7,950.19          | -             |
| Interest payable                          | DLF Assets Private Limited [w.e.f. 26 December 2017]                     | 1,607.39          | -             |
| Security deposit received                 | DLF Cyber City Developers Limited [w.e.f. 26 December 2017]              | 347.40            | -             |
| Security deposit paid                     | DLF Cyber City Developers Limited [w.e.f. 26 December 2017]              | 169.96            | -             |

(₹ in lakhs)

| Description              | Associates                          |                   |               |
|--------------------------|-------------------------------------|-------------------|---------------|
|                          | Balance at the end of the year      | Name of the Party | 31 March 2018 |
| Trade receivables        | DLF Homes Panchkula Private Limited | 4,645.54          | 4,479.33      |
| Investments in shares    | DLF Homes Panchkula Private Limited | 10.30             | 10.30         |
| Loans and advances given | DLF Homes Panchkula Private Limited | 21.45             | 23.68         |

(₹ in lakhs)

| Description  | Enterprises over which KMP is able to exercise significant influence  |                   |               |
|--|---|-------------------|---------------|
|  | Balance at the end of the year  | Name of the Party | 31 March 2018 |
| Trade receivables  | DLF Brands Limited  | 133.79            | 74.69         |
|  | Rhea Retail Private Limited   | 240.69            | 121.49        |
|  | Rod Retail Private Limited  | 67.77             | 20.46         |
| Warrant  | Rajdhani Investments & Agencies Private Limited   | 67,510.36         | -             |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 7,500.00          | -             |
| Compulsorily convertible debentures  | Rajdhani Investments & Agencies Private Limited   | 795,000.00        | -             |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 30,000.00         | -             |
| Security deposit received  | DLF Brands Limited  | 57.09             | 56.22         |
|  | Rhea Retail Private Limited   | 61.87             | 72.36         |
|  | DLF Building & Services Private Limited   | 52.27             | 51.94         |
| Investments  | DLF Brands Limited  | 460.00            | 848.80        |
| Earnest money and part payments under agreement to purchase land/ constructed properties | DLF Building & Services Private Limited   | 221.43            | 221.43        |
| Amount recoverable/ advances   | DLF Brands Limited  | 42.23             | 42.23         |
|  | Gujral Design Plus Overseas Private Limited   | -                 | 900.00        |
| Trade payables/ amounts payable  | DLF Building & Services Private Limited   | -                 | 0.30          |
| Advance received under agreement to sell*  | Realest Builders & Services Private Limited   | 5,593.57          | 5,593.57      |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 31,482.99         | 31,373.98     |
| Interest payable   | Rajdhani Investments & Agencies Private Limited   | 17.64             | -             |
| Guarantees given (net)   | DLF Brands Limited  | 2,793.19          | 3,057.00      |

(₹ in lakhs)

| Description                               | Key Management Personnel (KMP) and their relatives |                   |               |
|---|--|-------------------|---------------|
|   | Balance at the end of the year                     | Name of the Party | 31 March 2018 |
| Advance received under agreement to sell* | Ms. Anushka Singh                                  | 3,078.86          | 3,078.86      |
|   | Ms. Pia Singh                                      | 5,138.71          | 5,138.71      |
|   | Mr. Mohit Gujral                                   | 4,953.57          | 4,953.57      |
| Amount recoverable/ advances              | Mr. Mohit Gujral                                   | 2,300.00          | 2,300.00      |
| Trade receivables                         | Ms. Renuka Talwar                                  | -                 | 38.66         |
|   | Ms. Pia Singh                                      | -                 | 23.50         |
|   | Mr. Mohit Gujral                                   | 365.59            | -             |
|   | Ms. Anushka Singh                                  | 168.50            | -             |
| Trade payables/ amounts payable (net)     | Dr. K.P. Singh                                     | 350.00            | 349.64        |
|   | Mr. Rajiv Singh                                    | 359.25            | 350.09        |
|   | Mr. Rajeev Talwar                                  | 325.00            | 325.00        |

\* Revenue has been recognized as per the percentage of completion method {refer significant accounting policy no. 2.2(h)} on a project as a whole and not on individual basis.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

| 48. DISCLOSURE UNDER REGULATION 34(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 |             |               |               |                                 |               |
|---|-------------|---------------|---------------|---------------------------------|---------------|
| Loans and advances in the nature of loans to Subsidiaries/ Associates/ Joint ventures/ others   |             | Balance as on |               | Maximum balance during the year |               |
| Name of the Party   | Status      | 31 March 2018 | 31 March 2017 | 31 March 2018                   | 31 March 2017 |
| DLF Universal Limited   | Subsidiary  | -             | 3,169.73      | 3,169.73                        | 6,050.73      |
| DLF Home Developers Limited   | Subsidiary  | 111,541.00    | -             | 149,441.00                      | 302,292.88    |
| Paliwal Developers Limited  | Subsidiary  | -             | -             | -                               | 86.71         |
| Breeze Constructions Private Limited  | Subsidiary  | -             | 13,460.02     | 13,460.02                       | 13,460.02     |
| DLF Utilities Limited   | Subsidiary  | 67,179.00     | 55.00         | 67,179.00                       | 13,429.62     |
| Shivaji Marg Maintenance Services Limited   | Subsidiary  | -             | -             | -                               | 70.50         |
| Dalmia Promoters and Developers Private Limited   | Subsidiary  | -             | 387.98        | 387.98                          | 1,237.98      |
| Eastern India Powertech Limited   | Subsidiary  | -             | -             | 70,080.00                       | 44,269.88     |
| Edward Keventer (Successors) Private Limited  | Subsidiary  | -             | -             | 724.00                          | 34,205.27     |
| DLF Emporio Restaurants Limited   | Subsidiary  | -             | -             | -                               | 3,409.12      |
| Galleria Property Management Services Private Limited   | Subsidiary  | -             | 7,900.93      | 7,900.93                        | 7,900.93      |
| DLF City Centre Limited [till 25 December 2017]   | Subsidiary  | -             | 693.04        | 693.04                          | 693.04        |
| DLF Property Developers Limited   | Subsidiary  | -             | -             | -                               | 993.37        |
| DLF Real Estate Builders Limited  | Subsidiary  | -             | -             | -                               | 19,836.67     |
| DLF Residential Partners Limited  | Subsidiary  | -             | -             | -                               | 2,547.79      |
| DLF Residential Developers Limited  | Subsidiary  | -             | -             | -                               | 2,763.68      |
| DLF Info Park Developers (Chennai) Limited  | Subsidiary  | -             | -             | -                               | 156.43        |
| Chandrajyoti Estate Developers Private Limited  | Subsidiary  | -             | -             | -                               | 229.99        |
| DLF Luxury Homes Limited [formerly DLF GK Residency Limited]  | Subsidiary  | -             | -             | -                               | 6,079.80      |
| Paliwal Real Estate Limited   | Subsidiary  | -             | -             | -                               | 75.97         |
| DLF Green Valley  | Partnership | 4,186.93      | 4,125.97      | 4,186.93                        | 4,125.97      |
| DLF Residential Builders Limited  | Subsidiary  | -             | -             | -                               | 1,764.42      |
| Richmond Park Property Management Services Limited [till 25 December 2017]  | Subsidiary  | -             | 3,247.44      | 3,247.44                        | 3,247.44      |
| Riveria Commercial Developers Limited   | Subsidiary  | -             | -             | -                               | 2,339.75      |
| DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited]   | Subsidiary  | -             | -             | -                               | 20,551.82     |
| Vkarma Capital Investment Management Company Private Limited  | Subsidiary  | -             | -             | -                               | 24.00         |
| DLF Commercial Projects Corporation   | Partnership | 20,685.06     | -             | 20,685.06                       | 50,274.57     |
| Rational Builders & Developers  | Partnership | 14,000.00     | -             | 14,000.00                       | -             |

- There are no transactions of loans and advances to subsidiaries/ associate/ firms/ others in which Directors are interested other than as disclosed above.
- 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 Section 186 of the Act.

#### 49. INFORMATION IN RESPECT OF JOINT VENTURES

- a) The Company has entered into a joint venture agreement for development of rehabilitation project in Mumbai, wherein the Company's interest is 37.50%. Summarized financial information of the joint venture, based on its Ind AS financial statements is set-out below:

(₹ in lakhs)

| S. No. | Particulars   | Joyous Housing Limited |               |
|--------|---|------------------------|---------------|
|        |   | 31 March 2018          | 31 March 2017 |
| 1.     | Proportion of ownership interest  | 37.50%                 | 37.50%        |
| 2.     | Country of incorporation or registration  | India                  | India         |
| 3.     | Accounting period ended   | 31 March 2018          | 31 March 2017 |
| 4.     | Current assets (including inventories, cash and cash equivalents, other current assets and current tax assets)                        | 75,815.42              | 59,234.76     |
| 5.     | Non-current assets (including property, plant and equipment, investments, loans, other financial assets and other non-current assets) | 6,359.30               | 4,859.10      |
| 6.     | Current liabilities   | 5,779.82               | 2,958.14      |
| 7.     | Non-current liabilities   | 72,790.19              | 57,172.42     |
| 8.     | Income  | 68.65                  | 417.75        |
| 9.     | Expenses  | 831.40                 | 605.70        |
| 10.    | Loss before tax   | 762.75                 | 187.94        |
| 11.    | Income tax expense/ (credit)  | 405.67                 | (351.16)      |
| 12.    | Loss after tax  | 357.08                 | 539.10        |
| 13.    | Other comprehensive income/ (loss)  | (1.50)                 | 1.97          |
| 14.    | Total comprehensive loss for the year   | 358.58                 | 537.13        |
| 15.    | Contingent liabilities  | 1,955.00               | 422.90        |
| 16.    | Capital commitments   | -                      | -             |

- b) The Company entered into a Share Purchase and Shareholders Agreement ("SPSHA") with Reco Diamond Private Limited ("Investor"), an affiliate of GIC Singapore, DLF Cyber City Developers Limited ("DCCDL") and certain promoter group entities wherein the promoters group entities sold certain portion of their stake in DCCDL to the Investor at a purchase consideration of ₹ 895,600.00 lakhs. Subsequent to fulfilment of all conditions precedent specified in the SPSHA, the sale and purchase of the securities and other closing actions as contemplated under the SPSHA were completed on 25 December 2017 and consequently, the Investor holds 33.34% equity stake in DCCDL and it became jointly controlled entity of the Company. Summarised financial information of the joint venture based on its standalone Ind AS financial statements is set out below:

(₹ in lakhs)

| S. No. | Particulars   | DLF Cyber City Developers Limited |
|--------|---|-----------------------------------|
|        |   | 26 December 2017 to 31 March 2018 |
| 1.     | Proportion of ownership interest  | 66.66%                            |
| 2.     | Country of incorporation or registration  | India                             |
| 3.     | Accounting period ended   | 31 March 2018                     |
| 4.     | Current assets (including cash and cash equivalents, loans and advances and other current assets)         | 411,342.70                        |
| 5.     | Non-current assets (including tangible assets, capital work-in-progress and long-term loans and advances) | 1,198,586.47                      |
| 6.     | Current liabilities   | 139,849.13                        |
| 7.     | Non-current liabilities   | 823,763.77                        |
| 8.     | Income  | 268,592.20                        |
| 9.     | Expenses  | 144,814.49                        |
| 10.    | Profit before tax   | 123,777.71                        |
| 11.    | Income tax expense  | 17,913.69                         |
| 12.    | Profit after tax  | 105,864.02                        |
| 13.    | Other comprehensive income  | 7.53                              |
| 14.    | Total comprehensive income for the year   | 105,871.55                        |
| 15.    | Contingent liabilities  | 151,701.71                        |
| 16.    | Capital commitments   | 41,744.27                         |

## Notes to the Standalone Financial Statements (Contd.)

### 50. OPERATING LEASES - COMPANY AS LESSOR

The Company has leased out office and mall premises under non-cancelable operating leases. These leases have terms of between 3 - 15 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total lease rentals recognised as income during the year is ₹ 41,288.92 lakhs (31 March 2017: ₹ 36,532.61 lakhs).

Future minimum rentals receivable under non-cancelable operating leases as at 31 March 2018 are as follows:

(₹ in lakhs)

| Particulars                                 | 31 March 2018    | 31 March 2017    |
|---|------------------|------------------|
| Within one year                             | 21,187.25        | 21,750.09        |
| After one year but not more than five years | 11,366.26        | 10,227.89        |
| More than five years                        | 3,855.26         | 3,942.74         |
| <b>Total</b>                                | <b>36,408.77</b> | <b>35,920.72</b> |

### Operating leases - Company as lessee:

The Company has entered into operating leases for various office premises with lease term less than 12 months. There are no restrictions and there are no sub leases. The Company has recognized ₹ 1,792.17 lakhs (31 March 2017: ₹ 2,871.43 lakhs) towards minimum lease payments.

### 51. COMMITMENTS

- Estimated amount of contracts remaining to be executed on capital account and not provided for: At 31 March 2018, the Company had commitments of ₹ 5,042.40 lakhs (31 March 2017: ₹ 304.93 lakhs) relating to completion of various projects.
- The Company is committed to provide business and financial support to certain subsidiaries/ associate companies, which are in losses and is dependent on parent company for meeting out their cash requirements.
- The Company has commitment regarding payments under development agreements with certain partnership firms amounting to ₹ 31,936.16 lakhs (31 March 2017: ₹ 42,452.67 lakhs), where the Company or its subsidiaries are partner and certain third-party entities with whom development agreements are in place.
- The Company has commitment regarding purchase of land parcels from one of its group entity related to DLF City-Phase V land of ₹ 9,095.19 lakhs (31 March 2017: ₹ 8,670.85 lakhs)

### 52. CONTINGENT LIABILITIES AND LITIGATIONS

#### a) Contingent liabilities

(₹ in lakhs)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| a) Claims against the Company not acknowledged as debts: |               |               |
| Income tax demands (note 1 & 2 below)                    | 391,867.02    | 349,473.04    |
| Service tax demands (note 3 below)                       | 12,702.66     | 9,753.14      |
| Sales tax/ VAT demands (note 3 below)                    | 2,483.06      | 1,844.89      |
| Property tax demands                                     | 729.37        | -             |
| Legal cases (note 4 & 5 below)                           | 89,087.00     | 114,869.74    |
| b) Guarantees issued by the Company on behalf of:        |               |               |
| Subsidiary companies                                     | 387,416.09    | 986,232.00    |
| Others   | 89,733.26     | 3,057.00      |

- The Income Tax Authorities had made disallowances of SEZ profits u/s 80IAB of the Income-tax Act, 1961 during tax assessment of the Company raising demands amounting to ₹ 109.00 lakhs for the assessment year 2015-16; ₹ 1,056.00 lakhs for the assessment year 2014-15; ₹ 6,834.00 lakhs for the assessment year 2013-14; ₹ 7,308.99 lakhs for the assessment year 2011-12; ₹ 7,284.99 lakhs for the assessment year 2010-11; ₹ 35,523.71 lakhs for the assessment year 2009-10 and ₹ 48,723.00 lakhs for assessment year 2008-09, respectively.

The Company had filed appeals before the appropriate appellate authorities against these demands for the said assessment years. In certain cases partial/ full relief has been granted by the Appellate Authorities. The Company and Income Tax Department have further preferred appeals before the higher authorities in those cases.

- 2) Other than matter mentioned in point no. 1 above, the Income Tax Authorities have raised demands on account of various disallowances pertaining to different assessment years. The Company is contesting these demands, which are pending at various appellate levels.

Based on the advice from independent tax experts and the development on the appeals, the management is confident that additional tax so demanded as mentioned in point 1) and 2) above will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these standalone financial statements.

- 3) There are various disputes pending with the authorities of excise, customs, service tax, sales tax, VAT etc. The Company is contesting these demands raised by authorities and are pending at various appellate authorities.

Based on the grounds of the appeals and advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the various authorities. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial statements.

- 4) There are various litigations going on against the Company primarily by Competition Commission of India and in Consumer Redressal Forum, which have been contested by the Company.

Based on the grounds of the appeals and advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the various authorities. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial statements.

- 5) Interest and claims by customers/ suppliers may be payable as and when the outcome of the related matters are finally determined and hence not been included above. Management based on legal advice and historical trends, believes that no material liability will devolve on the Company in respect of these matters.

Further, as per the terms of the SPSHA, the Company has undertaken to indemnify, defend and hold harmless the Investor against all losses incurred or suffered by DCCDL arising out of following matters up to or prior to 25 December 2017 (i.e. Closing Date):

- i) Income tax demands related to various matters and assessments year up to the closing date of ₹ 159,037.06 lakhs;
- ii) Indirect tax demands including service tax and entry tax related to various matters and financial years up to the closing date of ₹ 20,916.36 lakhs;
- iii) During the previous years, DLF Utilities Limited ("DUL") had received a notice from the Dakshin Haryana Bijli Vitran Nigam ("DHBVN") wherein it had claimed cross subsidy surcharge of ₹ 3,328.00 lakhs on electricity being supplied by DUL to other companies for the period from 1 April 2011 to 30 September 2012 and had questioned the legality of such electricity supply. DUL filed an appeal to Haryana Electricity Regulatory Commission ("HERC"), wherein HERC vide order dated 11 August 2011 held that the supply of electricity by DUL was legal, however, DUL was liable to pay cross subsidy surcharge. Aggrieved by the said order, DUL filed an appeal before Appellate Tribunal of Electricity ("APTEL") against the levy of cross subsidy surcharge. APTEL held that the supply of electricity for commercial establishments from the main receiving panel was not in accordance with law and must be discontinued. Further, APTEL also held that the Company was liable to pay the cross subsidy surcharge and accordingly, a demand of ₹ 3,328.00 lakhs was received by DUL from DHBVN against the same. Aggrieved by the order of APTEL, DUL filed an appeal before the Hon'ble Supreme Court of India who has stayed the execution of the said order and asked DUL to deposit an amount of ₹ 284.36 lakhs to DHBVN which has been duly deposited.

Based on the advice of the independent legal counsel, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India and accordingly no adjustment is required to be made in the financial statements at this stage.

- iv) The land parcel admeasuring 19.5 acres was acquired by the Company from Government of Haryana ('GoH') in August 2006 for development of Cyber City Project, which was earlier acquired by GoH from Gram Panchayat, Nathupur on February 2004 through proceedings of compulsory acquisition. DCCDL had constructed certain portions of its two IT/ IT SEZ buildings of the Cyber City Project as well as entered into third party rights vide lease/ sale of office space in the said buildings. Subsequently, the Hon'ble High Court of Punjab and Haryana, pursuant to a public interest litigation, vide order dated 1 October 2010, quashed the land acquisition proceedings and Conveyance Deed by GoH and directed the GoH to refund the amount, which was earlier paid by the Company and also directed the Company to remove any construction on the said land. Against the said order, the Company filed a Special Leave Petition in November 2010 before the Hon'ble Supreme Court of India, who vide order dated 3 January 2012, stayed the order of the High Court and the matter is pending for disposal before the Hon'ble Supreme Court of India.

## Notes to the Standalone Financial Statements (Contd.)

Based on the advice of the independent legal counsel, the management believes that there is strong likelihood of succeeding before the Hon'ble Supreme Court of India.

- v) The Company along with its subsidiaries had acquired a land parcel admeasuring approximately 30 acres and 7 acres, respectively from EIH Limited ('EIH') for development of IT/ ITES project at Silokhera, Gurugram, which EIH acquired from GoH. The Company constructed 2 IT/ ITES SEZ Buildings on the said land, which was sold to one of the subsidiary companies of the DCCDL. The Company is constructing another block of buildings on the DCCDL's behalf. The Net Block and Capital Work-in-Progress against Silokhera project appearing in DCCDL's books as at 31 March 2018 amounts to ₹ 164,250.05 lakhs (gross block of ₹ 187,490.98 lakhs) and ₹ 89,122.37 lakhs, respectively.

Subsequently, the Hon'ble High Court of Punjab and Haryana, pursuant to a public interest litigation and vide its order dated 3 February 2011 directed the GoH to carry out the acquisition proceedings again from the notification stage under the Land Acquisition Act, 1894 and directed the Company and its subsidiary to remove all constructions made on the said land. The Company filed a Special Leave Petition before the Hon'ble Supreme Court of India and the Hon'ble Supreme Court of India vide order dated 20 September 2011 stayed the order of the Hon'ble High Court and the matter is currently pending before the Hon'ble Supreme Court of India and the next date of hearing is yet to be notified by the registry.

Based on the advice of the independent legal counsel, the management believes that there is a strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decision on the above matter, no further adjustment has been made in these financial statements.

### b) Certain other matters pending in litigation with Courts/ Appellate Authorities

- a) The Competition Commission of India (CCI) on a complaint filed by the Belaire/ Park Place owners Association had passed orders dated 12 August 2011 and 29 August 2011 wherein the CCI had imposed a penalty of ₹ 63,000.00 lakhs on DLF Limited ("DLF" or "the Company") or restraining DLF from formulating and imposing allegedly unfair conditions with buyers in Gurugram and further ordered to suitably modify the alleged unfair conditions on its buyers.

The said orders of CCI were challenged by DLF on several grounds by filing appeals before the Competition Appellate Tribunal (COMPAT). The COMPAT, pending hearing and till final orders had granted stay on demand of penalty of ₹ 63,000.00 lakhs imposed by CCI.

COMPAT vide its order dated 19 May 2014 accepted the arguments of DLF that since the agreements were entered into prior to coming into force of Section 4 of the Competition Act, the clauses of the agreements entered in 2006-07 could not be looked into for establishing contravention of Section 4 of the Competition Act, however COMPAT held that the Company is a dominant player in Gurugram being the relevant market and has abused its dominant position in relation to certain actions which is violative of Section 4 of the Competition Act and has accordingly upheld the penalty imposed by CCI.

COMPAT further held that CCI could not have directed modifications of the Agreement as the power to modify the agreement under Section 27 is only in relation to Section 3 and cannot be applied for any action in contravention of Section 4 of the Competition Act, 2002.

The Company has filed an Appeal in the Hon'ble Supreme Court of India against the order dated 19 May 2014 passed by the COMPAT. The Hon'ble Supreme Court of India vide order dated 27 August 2014 admitted the Appeal and directed the Company to deposit penalty of ₹ 63,000.00 lakhs in the Court.

In compliance of the order, the Company has deposited ₹ 63,000.00 lakhs with the Hon'ble Supreme Court of India.

The appeals have been listed for arguments before the Hon'ble Supreme Court of India.

Based on the advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial statements.

- b) During the year ended 31 March 2011, the Company received judgments from the Hon'ble High Court of Punjab and Haryana cancelling the sale deeds of land relating to IT SEZ Project in Gurugram. The Company filed Special Leave petitions (SLPs) challenging the orders in the Hon'ble Supreme Court of India.

The Hon'ble Supreme Court of India has admitted the matters and stayed the operation of the impugned judgments till further orders.

Based on the advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial statements.

- c) (i) Securities and Exchange Board of India (SEBI) had issued a Show Cause Notice (SCN) dated 25 June 2013 under Section 11(1), 11(4), 11A and 11B of the SEBI Act, 1992 ("the SEBI Act") read with clause 17.1 of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 ("DIP Guidelines") and Regulation 111 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") and levelled certain allegations in the same.

The Company filed its reply with SEBI, placed written submissions and participated in the hearings conducted by the Hon'ble Whole Time Member, in which it replied to each allegation levelled in the said Show Cause Notice (SCN).

The Hon'ble Whole Time member however rejected the reply filed by the Company and vide its order dated 10 October 2014 restrained the Company and six others from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities, directly or indirectly, in any manner, whatsoever, for a period of three years.

The Company has filed an appeal against the said order before Securities Appellate Tribunal (SAT). SAT vide majority order dated 13 March 2015 allowed all the appeals and the impugned order passed by SEBI has been quashed and set aside.

SEBI has filed a statutory appeal under Section 15Z of SEBI Act before the Hon'ble Supreme Court of India.

On 24 April 2015, the Hon'ble Supreme Court of India admitted the appeal ('Appeal') filed by SEBI and issued notice on interim application. No stay has been granted by the Hon'ble Supreme Court of India in favour of SEBI.

SEBI had filed an application stating that proposed sale of the Compulsorily Convertible Preference Shares ('CCPS') in DLF Cyber City Developers Limited, one of the unlisted subsidiary of the Company, by the promoters, to third party Institutional Investors should not be allowed during the pendency of the appeal and have sought stay from the Hon'ble Supreme Court of India on the proposed transactions. The Hon'ble Supreme Court of India did not pass any order and has kept the application to be heard along with the Appeal.

- (ii) SEBI also issued a SCN dated 28 August 2013 under Sections 15HA and 15HB of the SEBI Act, 1992 and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by adjudicating officer) Rules, 1995 ("Adjudication Rules"), hearing on which has been completed and the Company has filed its written synopsis/ submissions.

By way of orders dated 26 February 2015, the adjudicating officer of SEBI imposed penalties upon the Company, some of its Directors, officer under Section 15HA and under Section 15HB of the SEBI Act, 1992.

The Company, its Directors, officer have filed appeal before SAT impugning the order dated 26 February 2015 passed by an Adjudicating Officer of SEBI. The Appeal is listed before SAT and in its order dated 15 April 2015, SEBI has undertaken not to enforce the orders dated 26 February 2015 during pendency of the appeal. The appeals have been listed for hearing before SAT.

The appeals were listed for hearing before SAT on 25 April 2018. The SAT vide its order passed on 25 April 2018 held that in view of SAT's majority decision dated 13 March 2015, the Adjudication Officer's decision dated 26 February 2015 cannot be sustained.

Accordingly, the Hon'ble SAT disposed of the appeals, along with Intervention Application. According to the judgement, the said appeals, shall stand automatically revived once Hon'ble Supreme Court of India disposes of the Civil Appeals filed by SEBI against SAT's judgement dated 13 March 2018.

- d) The petitions were filed before the Hon'ble Punjab & Haryana High Court challenging the action of the Haryana Government to acquire the land belonging to Gram Panchayat of village Wazirabad, District Gurugram for public purpose and thereafter selling the same to the Company, seeking directions from the court for quashing of the acquisition proceedings under Sections 4 & 6 dated 8 August 2003 and 20 January 2004.

The petitioners therein also sought quashing of the award dated 19 January 2006 and the regular letter of allotment (RLA) dated 9 February 2010 issued in favour of the Company for 350.715 acres of land.

The Hon'ble Punjab & Haryana High Court, vide its final order dated 3 September 2014, while upholding the acquisition of land has however disapproved the allotment in favour of the Company. The Hon'ble High Court passed an order to keep the RLA dated 9 February 2010 issued in favour of the Company in abeyance and further directed the Haryana State Industrial and Infrastructure Development Corporation ('HSIIDC') to initiate fresh allotment process for higher returns in respect of the land in question with an option to State to revive the RLA in case no better bid is quoted by the public at large.

The Company has filed a Special Leave Petition before the Hon'ble Supreme Court of India challenging the judgment dated 3 September 2014 passed by the Hon'ble Punjab & Haryana High Court. The Hon'ble Supreme Court of India issued notice to the respondents and directed status quo to be maintained by the parties.

Based on the advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial statements.

- e) DLF has filed a Special Leave Petition (SLP) against the order dated 2 December 2016 passed by the Hon'ble Punjab & Haryana High Court in Writ Petition No.12210 of 2013 challenging the findings and directions passed by the Hon'ble High Court requiring DLF to allocate additional land measuring 10.6 acres for DLF Park Place complex. DLF has taken the ground that after having rejected the contentions of the Association on the claim of extra land based on FAR and PPA norms,



## Notes to the Standalone Financial Statements (Contd.)

the Hon'ble High Court could not have passed the order for allocation of additional land based on the representations made in the Brochure. DLF has further raised the ground that the Hon'ble High Court has given a complete go by to the terms and conditions of the binding agreement where it was specifically provided the area of Park Place as 12.67 acres granted leave in the Special Leave Petition.

Against the same order, DLF Park Place Residents Welfare Association has also filed an SLP before the Hon'ble Supreme Court on the grounds that the High Court has misinterpreted the statutory provisions of the applicable law to hold that GH Park Place is not a separate and independent Group Housing Complex but is part of DLF Phase-V constructed over 476.42 acres having 15 Group Housing Complexes. In accordance with the FAR ratio of 1: 1.75, the association was entitled to additional land of 46.20 acres on the total constructed area which has not been considered by the Hon'ble High Court.

These SLPs were listed before Supreme Court on 17 April 2017 and 9 May 2017, respectively. The Court after hearing, granted leave in the SLPs.

Based on the advice of the independent legal counsels, the management believes that there is reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustments has been made in these financial statements.

### 53. SHARE BASED PAYMENT

#### Employee Stock Option Scheme, 2006 (ESOP):

During the year ended 31 March 2007, the Company had announced an Employee Stock Option Scheme (the "Scheme") for all eligible employees of the Company, its subsidiaries, joint ventures and associates. Under the Scheme, 17,000,000 equity shares have been earmarked to be granted and the same will vest as follows:

| Block I                | Block II               | Block III              |
|------------------------|------------------------|------------------------|
| Year 2                 | Year 4                 | Year 6                 |
| 10% of the total grant | 30% of the total grant | 60% of the total grant |

Pursuant to the above Scheme, the employee will have the option to exercise the right within three years from the date of vesting of shares at ₹ 2/- per share, being its exercise price.

Options are granted under the plan for the consideration of ₹ 2/- per share and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. For the options which were vested before 31 March 2015, using the Ind AS transition exemption (as explained in the significant accounting policies no. 5(o) the expense related to options is arrived at using intrinsic value of the shares on the date of grant. For options which were vested after 31 March 2015, the expense related to options is arrived at using fair value of the options on the date of grant.

Share options outstanding at the end of the year (tranche wise) have the following exercise prices:

| Grant date                 | Exercise price (₹) | Share options 31 March 2018 | Share options 31 March 2017 |
|----------------------------|--------------------|-----------------------------|-----------------------------|
| 1 July 2007 (Grant I)      | 2                  | 3,734,057                   | 3,734,057                   |
| 10 October 2007 (Grant II) | 2                  | 308,077                     | 308,077                     |
| 1 July 2008 (Grant III)    | 2                  | 1,645,520                   | 1,645,520                   |
| 10 October 2008 (Grant IV) | 2                  | 160,059                     | 160,059                     |
| 1 July 2009 (Grant V)      | 2                  | 3,355,404                   | 3,355,404                   |
| 10 October 2009 (Grant VI) | 2                  | 588,819                     | 588,819                     |

Share options outstanding at the end of the year (tranche wise) have the following exercise prices:

| Grant date      | Exercise price (₹) | Share options 31 March 2018 | Share options 31 March 2017 |
|-----------------|--------------------|-----------------------------|-----------------------------|
| 1 July 2007     | 2                  | -                           | 3,450                       |
| 10 October 2007 | 2                  | -                           | 6,220                       |
| 1 July 2008     | 2                  | -                           | 31,672                      |
| 10 October 2008 | 2                  | -                           | 4,992                       |
| 1 July 2009     | 2                  | 196,083                     | 207,287                     |
| 10 October 2009 | 2                  | 211,734                     | 213,054                     |

The following table summarises the number and weighted-average exercise price (WAEP) of and movements in share options during the year:

| Particulars                              | 31 March 2018           |          | 31 March 2017           |          |
|--|-------------------------|----------|-------------------------|----------|
|  | Stock options (numbers) | WAEP (₹) | Stock options (numbers) | WAEP (₹) |
| Outstanding at the beginning of the year | 466,675                 | 346.69   | 820,636                 | 360.08   |
| Add: Granted during the year             | -                       | -        | -                       | -        |
| Less: Forfeited during the year          | 5,915                   | 338.59   | 332                     | 292.69   |
| Less: Exercised during the year          | 52,943                  | 343.06   | 289,118                 | 374.64   |
| Less: Lapsed during the year             | -                       | -        | 64,511                  | 392.27   |
| Outstanding at the end of the year       | 407,817                 | 347.28   | 466,675                 | 346.69   |
| Exercisable at the end of the year       | 407,817                 | 347.28   | 466,675                 | 346.69   |

\* The weighted-average share price at the date of exercise of options during the year ended 31 March 2018 was:

| Grant date      | 31 March 2018 | 31 March 2017 |
|-----------------|---------------|---------------|
| 1 July 2007     | -             | 127.35        |
| 10 October 2007 | -             | 153.89        |
| 1 July 2008     | 178.33        | 128.65        |
| 10 October 2008 | 189.55        | -             |
| 1 July 2009     | 187.31        | 126.41        |
| 10 October 2009 | 189.55        | 132.02        |

The fair value of the options granted is determined on the date of the grant using the “Black-Scholes option pricing model” with the following assumptions, as certified by an independent valuer:

|                                 | Grant I | Grant II | Grant III | Grant IV | Grant V | Grant VI |
|---------------------------------|---------|----------|-----------|----------|---------|----------|
| Dividend yield (%)              | 0.28    | 0.28     | 0.57      | 0.73     | 0.86    | 0.64     |
| Expected life (number of years) | 6.50    | 6.50     | 5.50      | 5.50     | 5.50    | 5.50     |
| Risk free interest rate (%)     | 8.37    | 8.09     | 9.46      | 8.17     | 6.75    | 7.26     |
| Volatility (%)                  | 82.30   | 82.30    | 52.16     | 59.70    | 86.16   | 81.87    |

The expected volatility was determined based on historical volatility data of the Company’s shares listed on the National Stock Exchange of India Limited.

#### Employee Shadow Option Scheme (Cash settled options):

- a) Under the Employee Shadow Option Scheme (the ‘scheme’), employees are entitled to get cash compensation based on the average market price of equity share upon exercise of shadow option on a future date. As per the scheme, Shadow options will vest as follows:

| Tranche | Date of Grant*   | Vesting at the end of/ during year 1 | Vesting at the end of/ during year 2 | Vesting at the end of/ during year 3 | Vesting at the end of/ during year 4 | Vesting at the end of/ during year 5 | Vesting at the end of/ during year 7 |
|---------|------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| I       | 1 July 2007      | -                                    | 50%                                  | -                                    | 50%                                  | -                                    | -                                    |
| II      | 1 September 2007 | -                                    | 50%                                  | -                                    | 50%                                  | -                                    | -                                    |
| III     | 1 July 2008      | -                                    | 50%                                  | 50%                                  | -                                    | -                                    | -                                    |
| IV      | 10 October 2008  | -                                    | 50%                                  | 50%                                  | -                                    | -                                    | -                                    |
| V       | 1 July 2009      | -                                    | 100%                                 | -                                    | -                                    | -                                    | -                                    |
| VI      | 1 August 2010    | -                                    | -                                    | -                                    | -                                    | -                                    | 100%                                 |
| VII     | 1 November 2012  | 33.33%                               | 33.33%                               | 33.34%                               | -                                    | -                                    | -                                    |
| VIII    | 1 August 2013    | -                                    | -                                    | 33.34%                               | -                                    | 66.66%                               | -                                    |

## Notes to the Standalone Financial Statements (Contd.)

b) Details of outstanding options and the expenses recognized under the Employee Shadow Option Scheme are as under:

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Outstanding shadow options (no.)                                   | -             | 732,238       |
| Exercise price (₹ )  | 2             | 2             |
| Average market price (₹ )  | -             | 144.61        |
| Fair value of shadow option (₹ )                                   | -             | 142.61        |
| Total expense charged to statement of profit and loss (₹ in lakhs) | 198.06        | 407.25        |
| Liability as at the end of the year (₹ in lakhs)                   | -             | 1,052.36      |

\* For tranche I and II, 50% options have already been vested in the financial year ended 31 March 2010 and remaining 50% vested in financial year ended 31 March 2012. For tranche III & IV, 50% options vested in the financial year ended 31 March 2011 and remaining 50% vested in financial year ended 31 March 2012. For tranche V, the options vested in financial year ended 31 March 2012. For tranche VII, 33.33% vested in financial year ended 31 March 2014 and 33.33% vested in 31 March 2015 and remaining 50% vested in financial year ended 31 March 2016. For tranche VIII, 33.34% vested in financial year ended 31 March 2017. For tranche VI, the entire options vested in current financial year. For tranche VIII, all the remaining options have forfeited during the current financial year. Hence no option is outstanding to be vested as at the end of the year.

| 54. DIVIDEND TO NON-RESIDENT SHAREHOLDERS |               |               |
|---|---------------|---------------|
| Description                               | 31 March 2018 | 31 March 2017 |
| Number of shareholder(s)                  | 1             | 1             |
| Number of shares held                     | 16,000        | 16,000        |
| Dividend remitted (₹ in lakhs)            | 0.32          | 0.32          |
| Year to which it relates                  | 2017          | 2016          |

## 55. SEGMENT REPORTING

The Company is primarily engaged in the business of colonization and real estate development, which as per Ind AS - 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

(₹ in lakhs)

| 56. DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:  |               |               |
|--|---------------|---------------|
| Particulars  | 31 March 2018 | 31 March 2017 |
| i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;   | 301.91        | 165.07        |
| 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 date during the year) but without adding the interest specified under MSMED Act, 2006;  | 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 disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

57. The company had entered into an operation and management agreement with DLF Golf Resorts Limited (“DGRL”), a wholly-owned subsidiary of the Company. As per the agreement, DGRL transfers 97% revenue generated and expenses incurred during the year to the Company and the remaining 3% shall be retained by DGRL for operation and management services provided to the Company. Accordingly, revenues of ₹ 7,503.67 lakhs and expenses of ₹ 7,686.97 lakhs (including ₹ 5,576.30 lakhs transfer from DGRL) pertaining to golf course operations, has been recognized in the financial statements.
58. The investments made in related parties are long-term and strategic in nature. Further, loans, guarantees and securities given are for meeting business and working capital requirements.

(₹ in lakhs)

**59. THE COST OF MAINTENANCE SERVICES & COST OF GOLF OPERATIONS AS DISCLOSED IN NOTE 32 INCLUDES EXPENDITURE OF FOLLOWING NATURE:**

| S. No. | Particulars                                 | 31 March 2018    | 31 March 2017    |
|--------|---|------------------|------------------|
| 1.     | Electricity, fuel and water                 | 7,919.52         | 5,529.56         |
| 2.     | Repair and maintenance- Building            | 2,087.31         | 172.02           |
| 3.     | Repair and maintenance- Plant and machinery | 1,174.38         | 1,193.48         |
| 4.     | Service and Maintenance                     | 14,227.77        | 12,613.27        |
| 5.     | Miscellaneous expenses                      | 342.41           | 275.00           |
| 6.     | Cost of material consumed                   | 567.42           | 561.05           |
| 7.     | Golf management expenses                    | 3,698.69         | 3,774.80         |
| 8.     | Employee benefit expenses                   | 1,277.50         | 1,172.70         |
| 9.     | Other expenses                              | 32.69            | 27.10            |
|        | <b>Total</b>                                | <b>31,327.69</b> | <b>25,318.98</b> |

**60. STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

**a) Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company’s considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to

## Notes to the Standalone Financial Statements (Contd.)

its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting systems and processes and additional disclosure requirements that may be necessary.

Upon adoption, the Company expects there to be a change in the manner that revenue is recognized in respect of construction project contracts from the current practice of recognizing such revenue as the services are performed. The Company also expects a change in the manner that it recognizes certain incremental and fulfilment costs from expensing them as incurred to deferring and recognizing them over the contractual period. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will be concluded once the implementation project has been completed.

### **b) Amendments to Ind AS 112 Disclosure of Interests in Other Entities**

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10-B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

As at 31 March 2018, the Company does not have any investments classified as held for sale and accordingly, these amendments are unlikely to affect the Company's financial statements.

### **c) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The Company is required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. The Company will disclose the fact if this relief is applied.

These amendments are effective for annual periods beginning on or after 1 April 2018. Since Company's current practice is in line with the clarifications issued, the Company does not expect any material effect on its financial statements. However, final impact will be concluded once the assessment of these changes is finalised.

### **d) Transfers of Investment Property - Amendments to Ind AS 40**

The amendments clarify when an entity should transfer property, including property under construction or development into or out of investment property. The amendments state that a change in use occurs when the property meets or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

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

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

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

The amendments clarify that:

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

The amendments will be applied retrospectively and are effective from 1 April 2018. These amendments does not have any material impact on the Company's financial statements.

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

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

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

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

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

61. The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current year classification.

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

|  |   |   |  |  |
|--|---|---|--|--|
| <b>Saurabh Chawla</b><br>Group Chief Financial Officer | <b>Subhash Setia</b><br>Company Secretary | <b>Mohit Gujral</b><br>CEO & Whole-time Director<br>DIN: 00051538 | <b>Rajeev Talwar</b><br>CEO & Whole-time Director<br>DIN: 01440785 | <b>Rajiv Singh</b><br>Vice Chairman<br>DIN: 00003214 |
|--|---|---|--|--|

As per report of even date

for **S.R. BATLIBOI & CO. LLP**  
ICAI Firm Registration Number: 301003E/E300005  
Chartered Accountants

per **Manoj Kumar Gupta**  
Partner

Membership Number: 083906

New Delhi  
21 May 2018

# Consolidated Financial Statement



# Independent Auditor's Report

## To the Members of DLF Limited

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of DLF Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, joint ventures, joint operations and partnership firms, comprising of the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates, joint ventures, joint operations and partnership firms in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates, joint ventures, joint operations and partnership firms are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates, joint ventures, joint operations and partnership firms and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates, joint ventures, joint operations and partnership firms, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates, joint ventures, joint operations and partnership firms as at 31 March 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to Note 49 of the consolidated Ind AS financial statements which describes the uncertainty relating to outcome of following lawsuits filed against the Company:

- a) In a complaint filed against the Company relating to imposing unfair conditions on buyers, the Competition Commission of India has imposed a penalty of ₹ 63,000 lakhs on the Company which was upheld by Competition Appellate Tribunal. The Company has filed an appeal which is currently pending with Hon'ble Supreme Court of India and has deposited ₹ 63,000 lakhs as per direction of the Hon'ble Supreme Court of India. Similar case has been filed against one of the subsidiary company with CCI which is currently pending with Supreme Court. No penalty has been levied in the said case.
- b) In a writ filed with Hon'ble High Court of Punjab and Haryana, the Company and two of its subsidiary companies have received judgments cancelling the sale deeds of land/ demolition of structure relating to two IT SEZ/ IT Park Projects in Gurgaon. The Company and the subsidiary companies have filed Special Leave petitions (SLPs) challenging the orders which is currently pending with Hon'ble Supreme Court of India. The Hon'ble Supreme Court has admitted the matters and stayed the operation of the impugned judgments till further orders in both the cases.



- c) Securities and Exchange Board of India (SEBI) in a complaint filed against the Company, imposed certain restrictions on the Company. The Company had received a favourable order against the appeal in said case from Securities Appellate Tribunal (SAT). SEBI, subsequently, has filed a statutory appeal which is currently pending before Hon'ble Supreme Court. SEBI has also imposed penalties upon the Company, some of its directors, officer, its three subsidiaries and their directors which has been disposed off by SAT with a direction that these appeals will be stand automatically revived upon disposal of civil appeal filed by SEBI against aforementioned SAT judgment.

Based on the advice of the external legal counsels, no adjustment has been considered in these consolidated Ind AS financial statements by the management in respect of above matters. Our opinion is not qualified in respect of this matter.

#### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 82 subsidiaries and 1 partnership firm, whose financial statements include total assets of ₹ 645,849.96 lakhs and net assets of ₹ (76,074.24) lakhs as at 31 March 2018, and total revenues of ₹ 50,443.19 lakhs and net cash inflows of ₹ 8,191.15 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ (12.35) lakhs for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of 3 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, partnership firms and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, partnership firms and joint ventures, is based solely on the report of such other auditors. Our opinion is not modified/ qualified in respect of this matter.
- (b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 1 partnership firms and 2 joint operations, whose financial statements and other financial information reflect total assets of ₹ 11,420.27 lakhs and net assets of ₹ 5,137.22 lakhs as at 31 March 2018, and total revenues of ₹ Nil lakhs and net cash outflows of ₹ (15.95) lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 1,058.28 lakhs for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of 1 associate and 1 joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion,
- in so far as it relates to amounts and disclosures included in respect of these partnership firms, joint operations, joint venture and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid partnership firms, joint operations, joint venture and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group. Our opinion is not modified/ qualified in respect of this matter.
- (c) The consolidated Ind AS financial statements of the Company for the year ended 31 March 2017, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 26 May 2017.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, partnership firms, associates, joint ventures and joint operations, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/ the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) The matters as described in 'Emphasis of Matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018, taken on record by the Board of Directors of the Holding Company

and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, partnership firms, associate companies, joint ventures and joint operations incorporated in India, none of the directors of the Group's companies, its associates, joint ventures, joint operations and partnership firms incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

- (g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, partnership firms, associate companies, joint ventures and joint operations incorporated in India and to the extent applicable, refer to our separate report in "Annexure 1" to this report;
- (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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, partnership firms, associate companies, joint ventures and joint operations, as applicable and noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates, partnership firms, joint

ventures and joint operations – Refer Note 47(iv), Note 49 and Note 51 to the consolidated Ind AS financial statements;

- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 41 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates, joint ventures, joint operations and partnership firms (b) the Group's share of net profit in respect of its associates and joint ventures;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, partnership firms, associates, joint ventures and joint operations incorporated in India and to the extent applicable during the year ended 31 March 2018.

for **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/ E300005

per **Manoj Kumar Gupta**

Partner

Membership No.: 83906

New Delhi

21 May 2018

## **ANNEXURE 1**

### **TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF DLF LIMITED**

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

In conjunction with our audit of the consolidated Ind AS financial statements of DLF Limited as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of DLF Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India and to the extent applicable, as of that date.

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

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, as applicable, which are companies incorporated in India and to the extent applicable, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting

with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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 Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India and to the extent applicable, have, maintained

in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Holding 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.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS

financial statements of the Holding Company, insofar as it relates to these 82 subsidiary companies and 3 joint ventures, which are companies incorporated in India, to the extent applicable, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

for **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/ E300005

per **Manoj Kumar Gupta**

Partner

Membership No.: 83906

New Delhi

21 May 2018

# Consolidated Balance Sheet as at 31 March 2018

(₹ in lakhs)

|  | Note  | As at<br>31 March 2018 | As at<br>31 March 2017 |
|--|-------|------------------------|------------------------|
| <b>ASSETS</b>  |       |                        |                        |
| <b>Non-current assets</b>  |       |                        |                        |
| Property, plant and equipment  | 4     | 154,885.76             | 226,870.33             |
| Capital work-in-progress   | 4     | 13,732.82              | 15,276.38              |
| Investment property  | 5     | 536,069.15             | 2,119,158.48           |
| Goodwill   | 6     | 100,916.35             | 101,095.81             |
| Other intangible assets  | 7     | 16,357.20              | 16,896.24              |
| Investments accounted for using the equity method and other investment in joint ventures/ associates | 8     | 1,972,055.81           | 104,897.92             |
| <b>Financial assets</b>  |       |                        |                        |
| Investments  | 9     | 11,140.89              | 10,855.32              |
| Loans  | 11    | 27,951.80              | 44,240.80              |
| Other financial assets   | 12    | 18,962.58              | 36,089.95              |
| Deferred tax assets (net)  | 13    | 207,169.60             | 439,054.47             |
| Non-current tax assets (net)   | 14    | 112,836.30             | 142,641.51             |
| Other non-current assets   | 15    | 148,070.27             | 171,589.20             |
|  |       | <b>3,320,148.53</b>    | <b>3,428,666.41</b>    |
| <b>Current assets</b>  |       |                        |                        |
| Inventories  | 16    | 1,975,292.00           | 2,009,880.17           |
| <b>Financial assets</b>  |       |                        |                        |
| Investments  | 17    | 99,958.29              | 5,173.27               |
| Trade receivables  | 10    | 128,579.10             | 141,735.50             |
| Cash and cash equivalents  | 18    | 135,624.28             | 341,259.00             |
| Other bank balances  | 19    | 92,168.80              | 68,633.59              |
| Loans  | 11    | 129,795.87             | 52,747.31              |
| Other financial assets   | 12    | 220,121.49             | 265,321.67             |
| Other current assets   | 15    | 113,894.87             | 85,256.46              |
| Assets held for sale   | 60    | 50,039.20              | -                      |
|  |       | <b>2,945,473.90</b>    | <b>2,970,006.97</b>    |
|  |       | <b>6,265,622.43</b>    | <b>6,398,673.38</b>    |
| <b>EQUITY AND LIABILITIES</b>  |       |                        |                        |
| <b>Equity</b>  |       |                        |                        |
| Equity share capital   | 20    | 35,681.34              | 35,680.06              |
| Warrant  | 59    | 75,010.36              | -                      |
| Other equity   | 21    | 3,420,352.61           | 2,421,603.43           |
| <b>Equity attributable to Equity Holder of the parent</b>  |       | <b>3,531,044.31</b>    | <b>2,457,283.49</b>    |
| Non-controlling interests  |       | 4,879.89               | 12,389.00              |
| <b>Total equity</b>  |       | <b>3,535,924.20</b>    | <b>2,469,672.49</b>    |
| <b>Non-current liabilities</b>   |       |                        |                        |
| <b>Financial liabilities</b>   |       |                        |                        |
| Borrowings   | 22    | 623,893.36             | 2,325,530.70           |
| Trade payables   | 23    | 79,637.27              | 82,152.10              |
| Other financial liabilities  | 24    | 47,680.56              | 106,042.53             |
| Provisions   | 25    | 4,059.87               | 5,221.40               |
| Deferred tax liabilities (net)   | 13    | 251,015.40             | 3,244.83               |
| Other non-current liabilities  | 26    | 14,829.16              | 53,043.45              |
|  |       | <b>1,021,115.62</b>    | <b>2,575,235.01</b>    |
| <b>Current liabilities</b>   |       |                        |                        |
| <b>Financial liabilities</b>   |       |                        |                        |
| Borrowings   | 27    | 880,804.14             | 340,801.93             |
| Trade payables   | 23    | 121,752.74             | 140,725.26             |
| Other financial liabilities  | 24    | 386,519.77             | 370,281.90             |
| Other current liabilities  | 26    | 309,608.60             | 494,708.01             |
| Liabilities related to assets held for sale  | 60    | 5,660.42               | -                      |
| Provisions   |       |                        |                        |
| For tax liabilities (net)  | 28    | 1,719.83               | 3,687.86               |
| Others   | 25    | 2,517.11               | 3,560.92               |
|  |       | <b>1,708,582.61</b>    | <b>1,353,765.88</b>    |
|  |       | <b>6,265,622.43</b>    | <b>6,398,673.38</b>    |
| <b>Significant accounting policies</b>   | 2 & 3 |                        |                        |

The accompanying notes are an integral part of these Consolidated Financial Statements

For and on behalf of the Board of Directors

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

As per report of even date

for **S.R. BATLIBOI & CO. LLP**  
ICAI Firm Registration Number: 301003E/ E300005  
Chartered Accountants

per **Manoj Kumar Gupta**  
Partner

Membership Number: 083906

New Delhi  
21 May 2018

# Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(₹ in lakhs)

|   | Note  | As at<br>31 March 2018 | As at<br>31 March 2017 |
|---|-------|------------------------|------------------------|
| <b>REVENUE</b>  |       |                        |                        |
| Revenue from operations   | 29    | 670,678.90             | 822,122.99             |
| Other income  | 30    | 95,692.17              | 71,927.95              |
|   |       | 766,371.07             | 894,050.94             |
| <b>EXPENSES</b>   |       |                        |                        |
| Cost of land, plots, development rights, constructed properties and others  | 31    | 311,533.82             | 346,577.77             |
| Employee benefits expense   | 32    | 34,358.97              | 32,832.24              |
| Finance costs   | 33    | 295,070.59             | 297,981.87             |
| Depreciation and amortisation expense   | 34    | 53,353.00              | 57,249.04              |
| Other expenses  | 35    | 87,042.19              | 99,383.84              |
|   |       | 781,358.57             | 834,024.76             |
| <b>Profit/ (Loss) before exceptional items, tax, share of profit/ (loss) in associates and joint ventures</b>       |       | (14,987.50)            | 60,026.18              |
| Exceptional items (net)   | 55    | 876,533.96             | 42,926.41              |
| <b>Profit before tax, share of loss in associates and joint ventures</b>  |       | 861,546.46             | 102,952.59             |
| <b>Tax expense</b>  | 36    |                        |                        |
| Current tax (including earlier years)   |       | 58,042.07              | 48,657.46              |
| Minimum alternate tax credit entitlement (including earlier years)  |       | (31,323.79)            | (28,300.33)            |
| Deferred tax charge   |       | 405,586.69             | 2,569.38               |
| <b>Profit/ (loss) before share of loss in associates and joint ventures</b>   |       | 429,241.49             | 80,026.08              |
| Share of Profit/ (loss) in associates and joint ventures (net)  |       | 18,437.71              | (9,225.96)             |
| <b>Net profit/ (loss) for the year</b>  |       | 447,679.20             | 70,800.12              |
| <b>Other comprehensive income</b>   |       |                        |                        |
| A Items that will not be reclassified to profit and loss  |       |                        |                        |
| Re-measurement (loss)/ gain on defined benefit plans  |       | 23.13                  | (346.40)               |
| Income tax effect on above  |       | (2.11)                 | 52.00                  |
| Net (loss)/ gain on fair value of FVOCI equity instruments  |       | (404.36)               | (384.42)               |
| Income tax effect on above  |       | 326.87                 | 77.58                  |
| B Items that will be reclassified to profit or loss   |       |                        |                        |
| Amortisation of forward element of forward contracts and recognition of changes in fair value of hedging instrument |       | 1,933.03               | (1,193.00)             |
| Income tax effect on above  |       | (668.98)               | 412.30                 |
| <b>Other comprehensive income for the year</b>  |       | 1,207.58               | (1,381.94)             |
| <b>Total comprehensive income for the year</b>  |       | 448,886.78             | 69,418.18              |
| <b>Net profit attributable to:</b>  |       |                        |                        |
| Equity Holders of the parent  |       | 446,386.39             | 71,480.23              |
| Non-controlling interests   |       | 1,292.81               | (680.11)               |
|   |       | 447,679.20             | 70,800.12              |
| <b>Other comprehensive income attributable to:</b>  |       |                        |                        |
| Equity Holders of the parent  |       | 1,207.58               | (1,381.94)             |
| Non-controlling interests   |       | -                      | -                      |
|   |       | 1,207.58               | (1,381.94)             |
| <b>Total comprehensive income attributable to:</b>  |       |                        |                        |
| Equity Holders of the parent  |       | 447,593.97             | 70,098.29              |
| Non-controlling interests   |       | 1,292.81               | (680.11)               |
|   |       | 448,886.78             | 69,418.18              |
| <b>Earnings per equity share (face value of ₹ 2 per share) (not annualised)</b>                                     |       |                        |                        |
| Basic (₹)   | 37    | 25.02                  | 3.89                   |
| Diluted (₹)   | 37    | 23.62                  | 3.89                   |
| <b>Significant accounting policies</b>  | 2 & 3 |                        |                        |

The accompanying notes are an integral part of these Consolidated Financial Statements

For and on behalf of the Board of Directors

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

As per report of even date  
for **S.R. BATLIBOI & CO. LLP**  
ICAI Firm Registration Number: 301003E/ E300005  
Chartered Accountants

per **Manoj Kumar Gupta**  
Partner

Membership Number: 083906

New Delhi  
21 May 2018

## Consolidated Cash Flow Statement for the year ended 31 March 2018

(₹ in lakhs)

|  | As At<br>31 March 2018 | As At<br>31 March 2017 |
|--|------------------------|------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>   |                        |                        |
| <b>Profit before exceptional items, tax, share of (loss) in associates and joint ventures</b>                  | <b>(14,987.50)</b>     | <b>60,026.18</b>       |
| <b>Adjustments for:</b>  |                        |                        |
| Depreciation, amortisation and impairment expense  | 53,353.00              | 57,249.04              |
| Loss/ (gain) on disposal of property, plant and equipment (net)  | (1,920.07)             | 489.09                 |
| Rental income on account of discounting of security deposits and straight lining effect                        | (9,437.40)             | (9,765.14)             |
| Interest income  | (61,811.53)            | (49,450.05)            |
| Gain on fair valuation of financial instruments (net)  | (2,041.69)             | (5,025.60)             |
| Gain on fair valuation of existing stake in equity accounted investee  | -                      | (8,380.07)             |
| Dividend income  | (1,885.47)             | (19.11)                |
| Loss/ (gain) on foreign currency transactions (net)  | (5.26)                 | 27.47                  |
| Finance costs  | 295,070.59             | 297,981.87             |
| (Profit)/ loss on sale of investments (net)  | (233.02)               | (452.37)               |
| Amortisation of forward element of forward contracts on transition date  | 1,604.38               | 1,762.00               |
| Allowance for expected credit loss for financial assets and impairment of non-financial assets                 | 9,866.00               | 11,470.59              |
| Provision for Expected credit loss written back  | (19,125.93)            | -                      |
| Amount forfeited on properties   | (688.57)               | (780.89)               |
| Amounts/ assets written off  | 1,092.52               | 149.67                 |
| Unclaimed balances and excess provisions written back  | (1,010.79)             | (2,477.08)             |
| Exceptional items (net) (refer note 55)  | 876,533.96             | 42,926.41              |
| <b>Operating profit before working capital changes</b>   | <b>1,124,373.22</b>    | <b>395,732.03</b>      |
| <b>Adjustment for:</b>   |                        |                        |
| (Increase)/ decrease in current/ non-current loans   | (12,670.27)            | 47,917.50              |
| (Increase)/ decrease in inventories  | 30,988.16              | (296,704.27)           |
| (Increase)/ decrease in current/ non-current other financial assets  | (97,580.43)            | (35,604.41)            |
| (Increase)/ decrease in trade receivables  | (17,862.70)            | (21,292.13)            |
| (Decrease) in current/ non-current other financial liabilities   | (15,791.66)            | (175,473.86)           |
| Increase/ (Decrease) current/ non-current in provisions  | (1,232.77)             | 644.38                 |
| Increase/ (Decrease) in current/ non-current trade payables  | (188,943.44)           | 27,773.57              |
| Net Decrease in working capital changes due to acquisition of company [refer note 44(d)]                       | 707.96                 | -                      |
| Net (increase) in working capital changes due to Cyber Group disinvestment                                     | (39,150.10)            | -                      |
| <b>Cash flow (used in) from operating activities post working capital changes</b>                              | <b>782,837.97</b>      | <b>(57,007.20)</b>     |
| Direct taxes paid (net of refunds)   | (58,390.85)            | (32,778.19)            |
| <b>Net cash (used in)/ flow from operating activities (A)</b>  | <b>724,447.12</b>      | <b>(89,785.39)</b>     |
|  |                        |                        |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>   |                        |                        |
| Purchase of property, plant and equipment, investment property, intangible assets and capital work-in-progress | (75,483.14)            | (21,467.85)            |
| Proceeds from sale of property, plant and equipment, investment property                                       | 35,071.79              | 1,145.92               |

## Consolidated Cash Flow Statement (Contd.)

(₹ in lakhs)

|   | As At<br>31 March 2018 | As At<br>31 March 2017 |
|---|------------------------|------------------------|
| Decrease in property, plant and equipment, investment property, intangible assets and capital work-in-progress due to Cyber Group disinvestment | 1,635,616.41           | -                      |
| Purchase of investments   | (87,530.70)            | 14,715.93              |
| Gain on fair value of investments   | (44,714.00)            | -                      |
| Fair Valuation of remaining stake in Cyber Group  | (1,790,662.75)         | -                      |
| Proceeds from disposal of investments   | 1,435.18               | 67,927.00              |
| Reversal of foreign currency translation reserve  | (24,071.28)            | -                      |
| Movement in fixed deposits with maturity more than 3 months (net)   | (45,210.54)            | 5,204.55               |
| Decrease in fixed deposits with maturity more than 3 months due to Cyber Group disinvestment  | 36,898.15              | -                      |
| Increase in fixed deposits with maturity more than 3 months due to acquisition of company [refer note 44(d)]                                    | (12,773.00)            | -                      |
| Interest received   | 11,716.53              | 19,614.87              |
| Dividend received   | 1,885.47               | 19.11                  |
| <b>Net cash flow from/ (used in) investing activities (B)</b>   | <b>(357,821.88)</b>    | <b>87,159.53</b>       |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>  |                        |                        |
| Proceeds from issue of capital (including securities premium and share application money)   | 1.28                   | 5.74                   |
| Proceeds from issue of warrant  | 75,010.36              | -                      |
| Proceeds from issue of compulsorily convertible debentures  | 825,000.00             | -                      |
| Repayment of debentures   | (40,250.00)            | (6,250.00)             |
| Proceeds from non-current borrowings  | 583,708.24             | 1,453,119.85           |
| Repayment of non-current borrowings   | (713,560.81)           | (1,124,471.23)         |
| Decrease in non current borrowings due to Cyber Group disinvestment   | (1,541,042.39)         | -                      |
| Proceeds/ (repayment) of current borrowings (net)   | (216,301.67)           | 71,438.69              |
| Increase in current borrowings due to Cyber Group disinvestment   | 756,303.87             | -                      |
| Finance cost paid   | (219,500.33)           | (314,742.70)           |
| Dividend paid (including tax)   | (81,628.51)            | (392.09)               |
| <b>Net cash flow from/ (used in) financing activities (C)</b>   | <b>(572,259.96)</b>    | <b>78,708.25</b>       |
| Net (decrease) in cash and cash equivalents (A+B+C)   | (205,634.72)           | 76,082.39              |
| Cash and cash equivalents at the beginning of the year (refer note 18)  | 341,259.00             | 265,176.61             |
| <b>Cash and cash equivalents at the end of the year (refer note 18)</b>   | <b>135,624.28</b>      | <b>341,259.00</b>      |

The accompanying notes are an integral part of these Consolidated Financial Statements

For and on behalf of the Board of Directors

**Saurabh Chawla**

Group Chief Financial Officer

**Subhash Setia**

Company Secretary

**Mohit Gujral**

CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**

CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**

Vice Chairman  
DIN: 00003214

As per report of even date

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

ICAI Firm Registration Number: 301003E/ E300005

Chartered Accountants

per **Manoj Kumar Gupta**

Partner

Membership Number: 083906

New Delhi  
21 May 2018



## Consolidated Statement of Changes in Equity for the year ended 31 March 2018

### A. Equity share capital\*

| Particulars          | Balance at 31 March 2017 | Issued during the year | Balance at 31 March 2018 |
|----------------------|--------------------------|------------------------|--------------------------|
| Equity share capital | 35,680.06                | 1.28                   | 35,681.34                |

(₹ in lakhs)

### B. Warrant\*\*

| Particulars | Balance at 31 March 2017 | Issued during the year | Balance at 31 March 2018 |
|-------------|--------------------------|------------------------|--------------------------|
| Warrant     | -                        | 75,010.36              | 75,010.36                |

(₹ in lakhs)

### C. Other equity\*\*\*

| Particulars   | Equity attributable to owners of Holding Company |  |                   |                            |                            |                   |                                   |                      |                             |                                     |                   | Non-controlling interests (B) | Total equity (A+B) |   |                                       |                                      |                     |
|---|--|--|-------------------|----------------------------|----------------------------|-------------------|-----------------------------------|----------------------|-----------------------------|-------------------------------------|-------------------|-------------------------------|--------------------|---|---------------------------------------|--------------------------------------|---------------------|
|   | Reserves and surplus                             |  |                   |                            |                            |                   |                                   |                      |                             |                                     |                   |                               |                    |   |                                       |                                      |                     |
|   | Share application money pending allotment        | Equity component of compound financial instruments | Capital reserve   | Capital redemption reserve | Securities premium reserve | General reserve   | Share options outstanding account | Forfeiture of shares | Debiture redemption reserve | Compulsorily convertible debentures | Retained earnings |                               |                    | Foreign currency translation reserve (net of tax) | FVOCI equity instruments (net of tax) | Cash flow hedge reserve (net of tax) | Total (A)           |
| <b>Balance as at 31 March 2016</b>  | 0.18   | 109,795.32   | 266,795.13        | 49,918.05                  | 1,083,532.63               | 287,921.50        | 2,786.24                          | 66.55                | 17,939.30                   | -                                   | 532,027.90        | 24,790.09                     | (1,789.34)         | (2,549.43)  | 2,371,234.12                          | 12,613.92                            | 2,383,848.04        |
| Net profit for the year   | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | 71,480.23                           | -                 | -                             | -                  | -   | 71,480.23                             | (680.11)                             | 70,800.12           |
| Other comprehensive income  | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | 1,152.19  | -                                     | -                                    | 1,152.19            |
| Amortisation of forward element of forward contracts (net of taxes)       | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | -                   |
| Recognition of changes in fair value of hedging instrument (net of taxes) | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | (1,932.89)  | -                                     | -                                    | (1,932.89)          |
| Re-measurement (loss) on defined benefit plans (net of taxes)             | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | (294.40)                            | -                 | -                             | -                  | -   | (294.40)                              | -                                    | (294.40)            |
| Net (loss) on fair value of FVOCI equity instruments (net of taxes)       | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | (306.84)                              | -                                    | (306.84)            |
| Transactions with owners in their capacity as owners                      | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | -                   |
| Dividend including tax impact of ₹ 388.51 lakhs                           | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | -                   |
| Equity share application money received                                   | 5.78   | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | 5.78  | -                                     | -                                    | 5.78                |
| Share application money adjusted on issue of equity shares                | (5.74)   | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | (5.74)                                | -                                    | (5.74)              |
| Transfer from/ to retained earnings                                       | -  | -  | -                 | 4.10                       | -                          | -                 | -                                 | -                    | 12,943.87                   | (12,947.97)                         | -                 | -                             | -                  | -   | -                                     | -                                    | -                   |
| Impact due to lapsed/ forfeited options                                   | -  | -  | -                 | -                          | -                          | 274.80            | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | (45.60)             |
| Issue of equity shares  | -  | -  | -                 | -                          | 1,152.65                   | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | -                   |
| Movement in foreign currency translation reserve during the year          | -  | -  | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | (718.81)            |
| Impact on account of merger   | -  | -  | (31,396.00)       | -                          | -                          | -                 | -                                 | -                    | -                           | -                                   | -                 | -                             | -                  | -   | -                                     | -                                    | (18,575.48)         |
| Others  | -  | (7.83)   | -                 | -                          | -                          | -                 | -                                 | -                    | -                           | 10.79                               | -                 | -                             | -                  | -   | 2.96                                  | 455.19                               | 468.15              |
| <b>Balance as at 31 March 2017</b>  | <b>0.22</b>                                      | <b>109,787.49</b>                                  | <b>235,399.13</b> | <b>49,922.15</b>           | <b>1,084,685.28</b>        | <b>288,196.30</b> | <b>1,313.19</b>                   | <b>66.55</b>         | <b>30,883.17</b>            | <b>-</b>                            | <b>602,704.98</b> | <b>24,071.28</b>              | <b>(2,096.18)</b>  | <b>(3,330.13)</b>                                 | <b>2,421,603.43</b>                   | <b>12,389.00</b>                     | <b>2,433,992.43</b> |

# Consolidated Statement of Changes in Equity (Contd.)

(₹ in lakhs)

| Particulars   | Equity attributable to owners of Holding Company |   |                 |                            |                            |                 |                                   |                      |                  |                                     | Non-controlling interests (B) | Total equity (A+B) |                   |              |              |
|---|--|---|-----------------|----------------------------|----------------------------|-----------------|-----------------------------------|----------------------|------------------|-------------------------------------|-------------------------------|--------------------|-------------------|--------------|--------------|
|   | Share application money pending allotment        | Equity component of financial instruments | Capital reserve | Capital redemption reserve | Securities premium reserve | General reserve | Share options outstanding account | Forfeiture of shares | Debiture reserve | Compulsorily convertible debentures |                               |                    | Retained earnings |              |              |
| Net profit for the year   | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | 446,386.39                          | -                             | 446,386.39         | 1,292.81          | 447,679.20   |              |
| Other comprehensive income  | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | -                             | -                  | -                 | -            |              |
| Amortisation of forward element of forward contracts (net of taxes) | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | 1,264.05                      | -                  | -                 | 1,264.05     |              |
| Re-measurement (loss) on defined benefit plans (net of taxes)       | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | 21.02                               | -                             | -                  | -                 | 21.02        |              |
| Net (loss) on fair value of FVOCI equity instruments (net of taxes) | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | (77.49)                       | -                  | -                 | (77.49)      |              |
| Transactions with owners in their capacity as owners                | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | -                             | -                  | -                 | -            |              |
| Dividend (including tax impact of ₹ 13,819.37 lakhs)                | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | (81,628.51)                         | -                             | -                  | -                 | (81,628.51)  |              |
| Equity share application money received                             | 1.07   | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | 1.07                          | -                  | -                 | 1.07         |              |
| Share application money adjusted on issue of equity shares          | (1.29)   | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | (1.29)                        | -                  | -                 | (1.29)       |              |
| Transfer from/ to retained earnings                                 | -  | -   | -               | -                          | -                          | -               | -                                 | (938.66)             | -                | 938.66                              | -                             | -                  | -                 | -            |              |
| Released to equity holders  | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | 7,695.13                            | -                             | -                  | 7,695.13          | 7,695.13     |              |
| Buy back of shares  | -  | (15,406.25)                               | -               | -                          | -                          | -               | -                                 | -                    | -                | (181,472.61)                        | -                             | -                  | -                 | (196,878.86) |              |
| Transfer from/ to retained earnings due to Deemed disposal          | -  | (94,377.50)                               | (207,084.06)    | (48,342.76)                | (759.04)                   | (8,068.33)      | (19.00)                           | (8,113.27)           | -                | 368,806.29                          | (42.33)                       | 0.00               | -                 | 0.00         |              |
| Group share of direct adjustment to equity by JVs                   | -  | -   | 21,038.95       | -                          | -                          | -               | -                                 | -                    | -                | -                                   | -                             | -                  | 21,038.95         | 21,038.95    |              |
| Released on account of merger#                                      | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | (24,071.28)                   | -                  | (24,071.28)       | (24,071.28)  |              |
| Equity component of compulsorily convertible debentures             | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | 825,000.00       | -                                   | -                             | -                  | 825,000.00        | 825,000.00   |              |
| Minority Partners current account adjustment                        | -  | -   | -               | -                          | -                          | -               | -                                 | -                    | -                | -                                   | -                             | -                  | (1,106.79)        | (1,106.79)   |              |
| Balance as at 31 March 2018   | (0.00)   | 3.74                                      | 49,354.02       | 1,579.39                   | 1,083,926.24               | 280,127.97      | 1,294.19                          | 66.55                | 21,831.24        | 825,000.00                          | 1,161,451.35                  | (2,216.00)         | 3,420,352.61      | 4,879.89     | 3,425,232.50 |

\* Refer note 20; \*\* Refer note 59; \*\*\* Refer note 21; # Refer note 44(c)

Significant accounting policies 2 & 3

The accompanying notes are an integral part of these Consolidated Financial Statements

For and on behalf of the Board of Directors

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

As per report of even date

for **S.R. BATLIBOI & CO. LLP**  
Chartered Accountants  
per **Manoj Kumar Gupta**  
Partner

Membership Number: 083906

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### 1. CORPORATE INFORMATION

DLF Limited ('DLF' or the 'Company' or the 'Holding Company'), a public limited company, together with its subsidiaries, joint ventures and associates (collectively referred to as the 'Group') is engaged primarily in the business of colonisation and real estate development. The operations of the Group span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects. The Group is also engaged in the business of leasing, generation of power, provision of maintenance services, hospitality and recreational activities which are related to the overall development of real estate business. The Holding Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its share are listed on two recognised stock exchanges in India. The registered office is situated at Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg, Phase I, DLF City, Gurugram - 122002, Haryana.

The consolidated financial statements for the year ended 31 March 2018 were authorized and approved by the Board of Directors on 21 May 2018.

### 2.1 BASIS OF PREPARATION

These consolidated financial statements ('financial statements') of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented except for the changes in accounting policy for amendments to the standard that were effective for annual period beginning from on or after 1 April 2017:

- Amendments to Ind AS 7 Statement of Cash Flow: Disclosure Initiative for additional disclosure of changes in liabilities arising from financing activities on account of non-cash transactions;
- Amendment to Ind AS 102 Share-based Payment to cover:
  - i) Measurement of cash-settled share-based payments;
  - ii) Classification of share-based payments settled net of tax withholdings; iii) Accounting for a modification of a share-based payment from cash-settled to equity-settled.

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

In addition, the carrying values of recognised assets and liabilities designated as hedged items in cash flow hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in ₹ in lakhs, except when otherwise indicated.

### 2.2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, partnership firms, joint operations, joint ventures and associates as at 31 March 2018. Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; or
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so. Certain subsidiaries had a different reporting period in the previous year and they have been merged during the year with

one of the subsidiaries whose reporting period is consistent with the reporting period of the parent.

Consolidation procedure for subsidiaries and partnership firms:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interests.
- Derecognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance [including other comprehensive income ('OCI')] is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### a) Investments in associates and joint ventures

##### *Associates*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

##### *Joint ventures*

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or

## Notes to the Consolidated Financial Statements (Contd.)

joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

With respect to investment in Joint operations, the Group recognises its direct right to the assets, liabilities, revenue and expenses of Joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings.

### b) Business combinations and goodwill

The Group applies the acquisition method in accounting for business combinations for the businesses which are not under common control. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- (i) Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements are recognised

and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits, respectively.

- (ii) Liabilities or equity instruments related to share - based payment arrangements of the acquiree or share - based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- (iii) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- (iv) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognised for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's

cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

#### *Business combinations under common control*

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values or to recognise any new assets or liabilities.

#### *Property acquisitions and business combinations*

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where such acquisitions are not judged to be an acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity or assets and liabilities is allocated between the identifiable assets and liabilities (of the entity) based on their relative values at the acquisition date. Accordingly, no goodwill or deferred tax arises.

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

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### **d) Property, plant and equipment**

#### *Recognition and initial measurement*

Property, plant and equipment at their initial recognition are stated at their cost of acquisition. On transition to Ind AS, the Group had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). 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 incremental future economic benefits associated with the item will flow to the Group. The Group does not recognise in the carrying amount of an item of property, plant and equipment the costs of the day-to-day services but are rather recognised in the statement of profit and loss. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection is derecognised. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The

## Notes to the Consolidated Financial Statements (Contd.)

periodic unwinding of the discount is recognised in the statement of profit and loss as a finance cost.

### *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 a straight-line basis, over the estimated useful lives as follows:

| Asset category*                       | Estimated useful life (in years) | Estimated useful life as per Schedule II to the Companies Act, 2013 (in years) |
|---------------------------------------|----------------------------------|--|
| Buildings                             | 60                               | 60   |
| Plant and machinery                   | 15 to 20                         | 15   |
| Computers and data processing units   |                                  |  |
| - Servers and networks                | 6                                | 6  |
| - Desktops, laptops and other devices | 3                                | 3  |
| Furniture and fixtures                | 5 to 15                          | 10   |
| Office equipment's                    | 3 to 20                          | 5  |
| Air conditioners and coolers          | 5                                | 5  |
| Vehicles                              | 8 to 10                          | 8 to 10  |
| Aircraft and helicopters              | 20                               | 20   |

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment, furniture and fixtures, office equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

\*In case of assets pertaining to Golf and Club operations, the Company has during the year based on technical evaluation and management estimate, revised the useful life of the assets as below:

| Asset category*          | Useful life (in years) |
|--------------------------|------------------------|
| Buildings                | 20                     |
| Plant and machinery      | 10                     |
| - Furniture and fixtures | 5                      |

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The leasehold improvements are depreciated over the period of lease or life of asset whichever is less.

Depreciation in respect of assets relating to the power generating division of one of the subsidiary companies is provided on the straight line method in terms of the Electricity (Supply) Act, 1948 on the basis of Central Government Notification No. S.O 266 (E) dated 29 March 1994, from the year immediately following the year of commissioning of the assets in accordance with the clarification issued by the Central

Electricity Authority as per the accounting policy specified under the Electricity (Supply) Annual Accounts Rules, 1985.

The estimated useful lives of power generating assets in one of the group companies (included in plant & equipment) as certified by the management, have been derived based on factors, inter-alia, inspection of the assets, benchmarking of useful lives within similar industry as that of the Group Company, number of shifts operated by the Group Company, history of usage of assets, maintenance activities carried out by the Group Company as per their plans, running conditions of the assets etc. Accordingly, the useful lives in respect of these assets have been taken as 13 years, which is different from useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

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

### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is de-recognised 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 de-recognised.

### **e) Capital work-in-progress and intangible assets under development**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost less accumulated impairment loss, if any. Cost includes land, related acquisition expenses, development/ construction costs and other direct expenditure that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Borrowing costs are included as cost if the recognition criteria as per Ind AS 23, Borrowing Costs is met. Refundable taxes and rebates are not considered as elements of cost

### **f) Investment properties**

#### *Recognition and initial measurement*

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties are measured initially at their cost of acquisition including transaction costs. On transition to Ind AS, the Group had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). 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. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

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 Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Property held under lease is classified as investment property when it is held to earn rentals or for capital appreciation or for both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

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

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on investment properties is provided on the straight-line method, over the useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

| <b>Asset category</b>   | <b>Estimated useful life (in years)</b> | <b>Estimated useful life as per Schedule II to the Companies Act, 2013 (in years)</b> |
|---|---|---|
| Buildings and related equipment*                                    | 15 to 60                                | 60  |
| Furniture and fixtures  | 5 to 15                                 | 10  |
| Estimated useful life of Leasehold land is over the period of lease |   |   |

\* Apart from all the assets, the Group has developed commercial space (in addition to automated multi-level car parking) over the land parcel received under the build, own, operate and transfer scheme of the public private partnership (as mentioned in the intangible assets policy below) which has been depreciated in the proportion in which the actual revenue received during the accounting year bears to the projected revenue from such assets till the end of concession period.

The group, based on technical assessment made by technical expert and management estimate, depreciates the Buildings and Furniture and Fixtures over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

#### *De-recognition*

Investment properties are de-recognised 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 and loss in the period of de-recognition.

### **g) Intangible assets**

#### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. On transition to Ind AS, the Group had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). 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. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Group has acquired exclusive usage rights for 30 years under the build, own, operate and transfer scheme in respect of properties developed as automated multi-level car parking and commercial space and classified them under the "Intangible Assets – Right under build, own, operate and transfer arrangement".

#### *Subsequent measurement (amortisation)*

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

The cost of usage rights is being amortised over the concession period in the proportion in which the actual revenue received during the accounting year bears to the projected revenue from such intangible assets till the end of concession period.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The



## Notes to the Consolidated Financial Statements (Contd.)

amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

### *De-recognition*

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised.

## **h) Inventories**

- Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/ as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost, estimated internal development costs and external development charges.
- Construction work-in-progress of constructed properties other than Special Economic Zone (SEZ) projects includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/ estimated cost and net realisable value.
- In case of SEZ projects, construction work-in-progress of constructed properties include internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/ estimated cost, and net realisable value.
- Development rights represent amount paid under agreement to purchase land/ development rights and borrowing cost incurred by the Group to acquire irrevocable and exclusive licenses/ development rights in identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage.
- Construction/ development material is valued at lower of cost and net realisable value. Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted-average basis.
- Components, stores and spares of the power generating division are valued at lower of cost or net realisable value. The cost is determined on the basis of moving weighted-average.
- Stocks for maintenance and recreational facilities (including stores and spares) are valued at cost or net realisable value, whichever is lower. Cost of inventories is ascertained on a moving weighted-average basis.
- Stock of food and beverages is valued at cost or net realisable value, whichever is lower. Cost comprises of cost of material including freight and other related incidental expenses and is arrived at on first in first out basis.
- In case of hospitality related inventories for grocery items, beverages, wine and liquor and is valued at lower of cost or net realisable value. Cost of other inventories is computed on weighted-average basis.
- In case of joint development/ collaboration agreements, involving barter transactions, revenue and cost are measured at the fair value of the goods or services rendered, adjusted by the amount of any cash or cash equivalents transferred. Where the fair value of the goods or services received cannot be measured reliably, the revenue and cost are measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

## **i) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company has concluded that it is the principle in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Sales Tax/ Value Added Tax (VAT)/ Goods and Services & Tax (GST) is not received by the Company on its own account and accordingly excluded from revenue. The Group applies the revenue recognition criteria to each separately identifiable component of the revenue transaction as set out below.

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

### *Revenue from real estate projects*

Revenue from constructed properties for all projects is recognized in accordance with the "Guidance Note on Accounting for Real Estate Transactions ('Guidance Note')". As per the Guidance Note, the revenue have been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

For projects other than SEZ, revenue is recognised in accordance with the term of duly executed, agreements to sell/ application forms (containing salient terms of agreement to sell). Estimated project cost includes cost of land/ development rights, borrowing costs, overheads, estimated construction and development cost of such properties.

For SEZ projects, revenue from development charges is recognised in accordance with the terms of the co-developer agreements/ memorandum of understanding ('MOU'), read

with addendum, if any. The estimated project cost includes construction cost, development and construction material, internal development cost, external development charges, borrowing cost and overheads of such project. Revenue from lease of land pertaining to such projects is recognised in accordance with the terms of the co-developer Agreements/ MOU on accrual basis.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

#### *Sale of land and plots*

Sale of land and plots (including development rights) is recognised in the financial year in which the agreement to sell/ application forms (containing salient terms of agreement to sell) is executed and there exists no uncertainty in the ultimate collection of consideration from buyers. Where the Group has any remaining substantial obligations as per agreements, revenue is recognised on 'percentage of completion method' as explained above under revenue from real estate projects' above.

#### *Rental income*

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

#### *Sale of Development rights*

Sale of development rights is recognized in the financial year in which the agreements of sale are executed and there exists no uncertainty in the ultimate collection of consideration from buyers.

#### *Revenue from golf course operations*

Income from golf operations, course capitation, sponsorship etc. is fixed and recognised as per the management agreement with the parties, as and when services are rendered as per contractual agreed terms.

#### *Power supply*

- Revenue from power supply together with claims made on customers is recognised in terms of power purchase agreements entered into with the respective purchasers.
- Revenue from energy system development contracts is recognised on percentage of completion method. Accordingly, revenue is recognised when cost incurred (including appropriate portion of allocable overheads) on the contract is estimated at 30 per cent or more, of the total cost to be incurred (including all foreseeable losses and an appropriate portion of allocable overheads) for the completion of contract, wherever applicable.

#### *Other Service and operating income*

- Subscription and non-refundable membership fee is recognised on proportionate basis over the period of the subscription/ membership.

- Revenue from hotel operations and related services is recognised net of discounts and sales related taxes in the period in which the services are rendered.
- Sale of cinema tickets is stated net of discounts.
- Revenue in respect of maintenance services is recognised on an accrual basis, in accordance with the terms of the respective contract.
- Revenue from recreational activities and laundry income is recognized when the services are rendered.
- Income from forfeiture of properties and interest from customers under agreements to sell is accounted for on an accrual basis except in cases where ultimate collection is considered doubtful.
- Room revenue is recognised based on occupation of rooms by the guests and revenues from the sale of food and beverages and other allied services are recognised as the services are rendered. Unbilled revenue recognised on account of Hotel customers which are staying in the hotel on the reporting date.

#### *Interest income*

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### *Dividend income*

Dividend income is recognised at the time when the right to receive the payment is established which is generally when shareholders approve the dividend.

#### *Food and Beverages Income*

Revenue from food and beverage is recorded net of sales tax/ value added tax (up to 30 June 2017) and discounts and GST (w.e.f. 1 July 2017).

### **j) Unbilled receivables**

Unbilled receivables represent:

- Revenue recognised based on percentage of completion method, as per policy on revenue, over and above the amount due as per the payment plans agreed with the customers; and
- Balance on account of straight lining of rental income, over the estimated rent free period;

### **k) Cost of revenue**

#### *Cost of real estate projects*

Cost of constructed properties other than SEZ projects, includes cost of land (including cost of development rights/ land under

## Notes to the Consolidated Financial Statements (Contd.)

agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

### *Cost of SEZ projects*

Cost of constructed properties includes estimated internal development costs, external development charges, overheads, borrowing cost, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate SEZ projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

### *Cost of land and plots*

Cost of land and plots includes land (including development rights), acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/ plotted area in respect of which revenue is recognised as explained in accounting policy for revenue from 'Sale of land and plots', in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

### *Cost of development rights*

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost, which is charged to statement of profit and loss as explained in accounting policy for revenue, in consonance with the concept of matching cost and revenue.

## **l) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **m) Taxation**

### **Current income tax**

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 assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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.

"Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period."

### **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow

all or part of the deferred tax asset to be utilised. 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). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Sales/ value added taxes/ goods and services tax paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of sales/ value added taxes/ goods and services tax paid, except:

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

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

#### **n) Foreign currency transactions**

##### *Functional and presentation currency*

The consolidated financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the parent company.

##### *Transactions and balances*

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction. However, for practical reasons, the group uses an average rate if the average approximates the actual rate 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.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI

or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on settlement of monetary items or restatement as at reporting date, 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.

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g. consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

##### *Translation of a foreign operation*

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses a weighted-average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

#### **o) Retirement and other employee benefits**

##### *Provident fund*

Certain entities of the group make contribution to statutory provident fund trust setup in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms of the Guidance on Ind AS – 19. The provident fund trust set up is treated as a defined benefit plan since the Group has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee.

Certain other entities of the Group make contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

##### *Gratuity*

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined

## Notes to the Consolidated Financial Statements (Contd.)

benefit/ obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Group's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/ losses resulting from re-measurements of the liability are included in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

### *Other long-term employee benefits*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

### *Superannuation benefit*

Certain entities make contributions towards superannuation fund (funded by payments to Life Insurance Corporation of India under its Group Superannuation Scheme) which is charged to revenue on accrual basis.

### *Short-term employee benefits*

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee. Contribution made towards superannuation fund (funded by payments to Life Insurance Corporation of India) is charged to statement of profit and loss on accrual basis.

## **p) Share based payments**

### *Employee Stock Option Plan*

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

### *Employee Shadow Option Scheme (cash settled options)*

Fair value of cash settled options granted to employees under the Employee's Shadow Option Scheme is determined on the basis of excess of the average market price, during the month before the reporting date, over the exercise price of the shadow option. This fair value is expensed over the vesting period with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense over the vesting period.

## **q) Leased assets**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

### **Group as a lessee**

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. If there is no reasonable certainty that the Group entities will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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

### **Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is

recognised on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs. 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. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### r) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Board of Directors determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value and for other non-recurring measurements. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Valuers are selected based on market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity share
- Investment properties
- Financial instruments (including those carried at amortised cost)

#### s) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss is recognised in the statement of profit and loss.

## Notes to the Consolidated Financial Statements (Contd.)

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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

### t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### u) Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

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

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation 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, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group 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 neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

### w) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Group 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*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### **i. Debt instruments at amortised cost** – a financial asset 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.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to

trade and other receivables. For more information on receivables, refer to Note 10 and 38.

ii. **Equity investments** – Investments in equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. **Investments in mutual funds** – Investment in mutual funds are measured at fair value through profit or loss (FVTPL).

iv. **Debt instruments at FVTPL** - FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

v. **Debt instruments at FVOCI** - A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### *De-recognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily

derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

#### **Non-derivative financial liabilities**

##### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, security deposits, loans and borrowings and other financial liabilities.

##### *Subsequent measurement*

Subsequent to initial recognition, the measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.



## Notes to the Consolidated Financial Statements (Contd.)

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to statement of Profit and Loss. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 22,27 and 38.

### *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 and loss.

### Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit

or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

### Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency exposure for underlying external commercial borrowings ('ECB'). Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments. To qualify for hedge accounting, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction. The Group has designated the changes in spot element of the derivative as hedging instrument to mitigate variability in cash flows associated with the said foreign exchange risk of the said ECB.

The changes in fair value of the forward element of the derivative are recognised in other comprehensive income and are accumulated in 'Cash Flow Hedge Reserve'. The difference between forward and spot element at the date of designation of the hedging instrument is amortised over the period of the hedge. Hence, in each reporting period, the amortisation amount shall be reclassified from the separate component of equity to profit or loss as a reclassification adjustment. However, if hedge accounting is discontinued for the hedging relationship that includes the changes in forward element of the hedging instrument, the net amount (i.e. including cumulative amortisation) that has been accumulated in the separate component of equity shall be immediately reclassified into profit or loss as a reclassification adjustment.

### Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the

higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

#### **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.

#### **x) Impairment of financial assets**

In accordance with Ind AS 109, the Group 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 Group in accordance with the contract and all the cash flows that the Group 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 Group 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 Group 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 Group 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 Group measures the loss allowance at an amount equal to 12 months expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group 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 Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition of the financial asset is determined to have low credit risk at the balance sheet date.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

#### **y) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

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

The preparation of the Group'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, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

**Consolidation and joint arrangements** – The Group has determined that it controls and consolidates the subsidiaries in which it owns a majority of the shares. The Group has determined that it has joint control over the investee and the ownership is shared with the other owners. These investments are joint arrangements.

The joint arrangements are separately incorporated. The Group has, after considering the structure and form of the arrangement, the terms agreed by the parties in the contractual arrangement and the Group's rights and obligations arising from the arrangement, classified its interest as joint ventures under Ind AS 111 Joint Arrangements. As a consequence, it accounts for its investments using the equity method.

For some companies where Group hold even majority of the shares, due to terms and conditions of the Share Purchase and Shareholder's Agreement, such companies have been treated as joint venture. (refer note 45 and 47).

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

## Notes to the Consolidated Financial Statements (Contd.)

extent of specialized nature of the leased asset. The Group has also factored in overall time period of rent agreements to arrive at lease period to recognise rental income on straight line basis.

**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 contingent liabilities. However the actual future outcome may be different from this judgement.

### *Significant estimates*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### **Revenue and net realizable value of inventory property**

– The Group recognises revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information.

Inventory property is stated at lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and process existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market price at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

**Contingent liabilities** – At each balance sheet date basis the management estimate, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this estimate. Refer note 47(iv), 49 and 50 for further disclosures on contingent liabilities.

**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. Refer note 38 for further disclosures.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality,

discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses. Further details about gratuity obligations are given in note 43.

**Fair value measurement disclosures** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Refer note 38 for further disclosures.

**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.

**Valuation of investment property** – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged real estate valuation specialists to determine the fair value of its investment property as at reporting date using recognised valuation techniques and principles as per Ind AS 113.

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. Refer note 5 on further disclosures.

**Share based payments** – The Group initially measures the cost of cash-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 52.

**Taxes** – Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 13.

#### 4A. PROPERTY, PLANT AND EQUIPMENT#

The changes in the carrying value of property, plant and equipment for the year ended 31 March 2018 are as follows:

| Description                                   | Gross block       |                   |   | Accumulated depreciation           |                   |                  | Net block        |   |                                    |                  |                         |                         |
|---|-------------------|-------------------|---|------------------------------------|-------------------|------------------|------------------|---|------------------------------------|------------------|-------------------------|-------------------------|
|   | 1 April 2017      | Additions         | Disposals <sup>^</sup> /<br>Adjustments | Assets held for Sale <sup>^^</sup> | 31 March 2018     | 1 April 2017     | Additions        | Disposals <sup>^</sup> /<br>Adjustments | Assets held for Sale <sup>^^</sup> | 31 March 2018    | Net block 31 March 2017 | Net block 31 March 2018 |
| Land <sup>^</sup>                             | 29,934.47         | 12,552.79         | 99.64                                   | -                                  | 42,387.62         | 1.50             | 0.75             | -                                       | -                                  | 2.25             | 42,385.37               | 29,932.97               |
| Buildings and related equipments <sup>^</sup> | 96,609.47         | 36,176.49         | 60,253.46                               | -                                  | 72,532.50         | 4,388.71         | 5,522.91         | 2,655.24                                | -                                  | 7,256.38         | 65,276.12               | 92,220.76               |
| Plant and machinery                           | 113,370.15        | 64,937.92         | 127,354.83                              | 22.86                              | 50,930.38         | 23,011.46        | 11,033.17        | 20,987.53                               | 22.25                              | 13,034.85        | 37,895.53               | 90,358.69               |
| Furniture and fixtures                        | 6,667.18          | 1,002.82          | 1,716.77                                | -                                  | 5,953.23          | 2,658.18         | 1,663.05         | 753.88                                  | -                                  | 3,567.35         | 2,385.88                | 4,009.00                |
| Office equipments                             | 2,180.42          | 921.27            | 1,547.80                                | -                                  | 1,553.89          | 908.48           | 370.58           | 422.75                                  | -                                  | 856.31           | 697.58                  | 1,271.94                |
| Vehicles                                      | 2,303.85          | 419.25            | 1,373.14                                | -                                  | 1,349.96          | 837.82           | 344.39           | 769.41                                  | -                                  | 412.80           | 937.16                  | 1,466.03                |
| Leasehold improvements                        | 3,609.37          | 1,357.01          | 3,053.23                                | -                                  | 1,913.15          | 1,194.94         | 398.46           | 207.81                                  | -                                  | 1,385.59         | 527.56                  | 2,414.43                |
| Aircraft and helicopter                       | 6,029.54          | -                 | -                                       | -                                  | 6,029.54          | 833.03           | 415.95           | -                                       | -                                  | 1,248.98         | 4,780.56                | 5,196.51                |
| <b>Total</b>                                  | <b>260,704.45</b> | <b>117,367.55</b> | <b>195,398.87</b>                       | <b>22.86</b>                       | <b>182,650.27</b> | <b>33,834.12</b> | <b>19,749.26</b> | <b>25,796.62</b>                        | <b>22.25</b>                       | <b>27,764.51</b> | <b>154,885.76</b>       | <b>226,870.33</b>       |

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

| Description                                   | Gross block       |                        |                           | Accumulated depreciation |                   |                  | Net block        |                           |                      |                  |                         |                         |
|---|-------------------|------------------------|---------------------------|--------------------------|-------------------|------------------|------------------|---------------------------|----------------------|------------------|-------------------------|-------------------------|
|   | 1 April 2016      | Additions <sup>@</sup> | Disposals/<br>Adjustments | Assets held for Sale     | 31 March 2017     | 1 April 2016     | Additions        | Disposals/<br>Adjustments | Assets held for Sale | 31 March 2017    | Net block 31 March 2016 | Net block 31 March 2017 |
| Land <sup>^</sup>                             | 28,254.61         | 1,679.86               | -                         | -                        | 29,934.47         | 0.75             | 0.75             | -                         | -                    | 1.50             | 29,932.97               | 28,253.86               |
| Buildings and related equipments <sup>^</sup> | 87,969.26         | 24,840.18              | 16,199.97                 | -                        | 96,609.47         | 2,272.49         | 2,213.93         | 97.71                     | -                    | 4,388.71         | 92,220.76               | 85,696.77               |
| Plant and machinery                           | 124,883.50        | 3,078.14               | 14,591.49                 | -                        | 113,370.15        | 12,822.48        | 11,222.25        | 1,033.27                  | -                    | 23,011.46        | 90,358.69               | 112,061.02              |
| Furniture and fixtures                        | 7,137.40          | 279.75                 | 749.97                    | -                        | 6,667.18          | 1,376.30         | 1,331.32         | 49.44                     | -                    | 2,658.18         | 4,009.00                | 5,761.10                |
| Office equipments                             | 2,164.86          | 151.21                 | 135.65                    | -                        | 2,180.42          | 588.81           | 448.77           | 129.10                    | -                    | 908.48           | 1,271.94                | 1,576.05                |
| Vehicles                                      | 2,276.93          | 110.18                 | 83.26                     | -                        | 2,303.85          | 479.53           | 397.16           | 38.87                     | -                    | 837.82           | 1,466.03                | 1,797.40                |
| Leasehold improvements                        | 6,676.94          | 61.08                  | 3,128.65                  | -                        | 3,609.37          | 828.39           | 668.38           | 301.83                    | -                    | 1,194.94         | 2,414.43                | 5,848.55                |
| Aircraft and helicopter                       | 12,291.70         | -                      | 6,262.16                  | -                        | 6,029.54          | 968.82           | 691.81           | 827.60                    | -                    | 833.03           | 5,196.51                | 11,322.88               |
| <b>Total</b>                                  | <b>271,655.20</b> | <b>30,200.40</b>       | <b>41,151.15</b>          | <b>-</b>                 | <b>260,704.45</b> | <b>19,337.57</b> | <b>16,974.37</b> | <b>2,477.82</b>           | <b>-</b>             | <b>33,834.12</b> | <b>226,870.33</b>       | <b>252,317.63</b>       |

# Property, plant and equipment have been pledged as security for borrowings, refer note 22 for details.

<sup>^</sup> Land and buildings include assets acquired through business combinations and are recognised at their fair value. For details, refer note 44.

<sup>^^</sup> Please refer note 44(a)(i).

<sup>^^^</sup> Refer note 60.

<sup>@</sup> This includes assets acquired from DLF Southern Towns Private Limited: ₹ 1,620.58 lakhs and DLF Garden City Indore Private Limited: ₹ 1,819.95 lakhs during the year ended 31 March 2017.

## Notes to Consolidated Financial Statements (Contd.)

### 4B. CAPITAL WORK-IN-PROGRESS

The changes in the carrying value of capital work-in-progress for the year ended 31 March 2018 are as follows:

(₹ in lakhs)

| Description         | Gross block      |                  |                           |                  |
|---------------------|------------------|------------------|---------------------------|------------------|
|                     | 1 April 2017     | Additions        | Disposals/<br>Adjustments | 31 March 2018    |
| <b>Gross amount</b> | <b>15,276.38</b> | <b>10,042.47</b> | <b>11,586.03</b>          | <b>13,732.82</b> |

The changes in the carrying value of capital work-in-progress for the year ended 31 March 2017 are as follows:

(₹ in lakhs)

| Description         | Gross block      |                 |                           |                  |
|---------------------|------------------|-----------------|---------------------------|------------------|
|                     | 1 April 2016     | Additions       | Disposals/<br>Adjustments | 31 March 2017    |
| <b>Gross amount</b> | <b>22,822.99</b> | <b>6,779.09</b> | <b>14,325.70</b>          | <b>15,276.38</b> |

**(i) Contractual obligations**

Refer note 49(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**(ii) Capitalised borrowing cost**

For borrowing cost capitalisation disclosure, refer note 33.

**(iii) Capital work-in-progress**

Capital work-in progress comprises expenditure for buildings, plant and machinery under course of construction and installation.

**(iv) Reassessment of useful lives of assets**

During the year, the Company has based on technical evaluation reduced the remaining useful life of Golf, Clubs and other assets classified under building, plant and machinery. Due to the same, additional depreciation of ₹ 3,307.17 lakhs has been charged to the statement of profit and loss account.

## 5. INVESTMENT PROPERTIES#

The changes in the carrying value of investment properties for the year ended 31 March 2018 are as follows:

| Description                      | Gross block         |                   |                          |                         | Accumulated depreciation |                  |                  |                          | Net block        |                   |                     |
|----------------------------------|---------------------|-------------------|--------------------------|-------------------------|--------------------------|------------------|------------------|--------------------------|------------------|-------------------|---------------------|
|                                  | 1 April 2017        | Additions         | Disposals**/ Adjustments | Assets held for Sale*** | 31 March 2018            | 1 April 2017     | Additions        | Disposals**/ Adjustments | 31 March 2018    | 31 March 2017     |                     |
|                                  | (₹ in lakhs)        |                   |                          |                         |                          |                  |                  |                          |                  |                   |                     |
| Land*                            | 302,801.06          | 10,406.50         | 106,758.25               | 16,009.19               | 190,440.12               | -                | 1,363.15         | -                        | 1,363.15         | 189,076.97        | 302,801.06          |
| Buildings and related equipments | 1,524,071.41        | 50,568.35         | 1,282,450.91             | -                       | 292,188.85               | 71,945.14        | 30,762.83        | 85,831.77                | 16,876.20        | 275,312.65        | 1,452,126.27        |
| Furniture and fixtures           | 10,375.77           | 52.98             | 9,362.10                 | -                       | 1,066.65                 | 4,922.23         | 978.06           | 5,381.03                 | 519.26           | 547.39            | 5,453.54            |
| <b>Sub-total (A)</b>             | <b>1,837,248.24</b> | <b>61,027.83</b>  | <b>1,398,571.26</b>      | <b>16,009.19</b>        | <b>483,695.62</b>        | <b>76,867.37</b> | <b>33,104.04</b> | <b>91,212.80</b>         | <b>18,758.61</b> | <b>464,937.01</b> | <b>1,760,380.87</b> |
| Capital work-in-progress (B)**   | 358,777.61          | 78,196.67         | 365,842.14               | -                       | 71,132.14                | -                | -                | -                        | -                | 71,132.14         | 358,777.61          |
| <b>Total (A+B)</b>               | <b>2,196,025.85</b> | <b>139,224.50</b> | <b>1,764,413.40</b>      | <b>16,009.19</b>        | <b>554,827.76</b>        | <b>76,867.37</b> | <b>33,104.04</b> | <b>91,212.80</b>         | <b>18,758.61</b> | <b>536,069.15</b> | <b>2,119,158.48</b> |

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

| Description                      | Gross block         |                  |                        |                      | Accumulated depreciation |                  |                  |                        | Net block        |                     |                     |
|----------------------------------|---------------------|------------------|------------------------|----------------------|--------------------------|------------------|------------------|------------------------|------------------|---------------------|---------------------|
|                                  | 1 April 2016        | Additions        | Disposals/ Adjustments | Assets held for Sale | 31 March 2017            | 1 April 2016     | Additions        | Disposals/ Adjustments | 31 March 2017    | 31 March 2016       |                     |
|                                  | (₹ in lakhs)        |                  |                        |                      |                          |                  |                  |                        |                  |                     |                     |
| Land*                            | 299,765.31          | 3,035.75         | -                      | -                    | 302,801.06               | -                | -                | -                      | -                | 302,801.06          | 299,765.31          |
| Buildings and related equipments | 1,482,522.46        | 41,661.22        | 112.27                 | -                    | 1,524,071.41             | 34,365.48        | 37,647.10        | 67.44                  | 71,945.14        | 1,452,126.27        | 1,448,156.98        |
| Furniture and fixtures           | 9,903.67            | 498.78           | 26.68                  | -                    | 10,375.77                | 2,635.87         | 2,310.92         | 24.56                  | 4,922.23         | 5,453.54            | 7,267.80            |
| <b>Sub-total (A)</b>             | <b>1,792,191.44</b> | <b>45,195.75</b> | <b>138.95</b>          | <b>-</b>             | <b>1,837,248.24</b>      | <b>37,001.35</b> | <b>39,958.02</b> | <b>92.00</b>           | <b>76,867.37</b> | <b>1,760,380.87</b> | <b>1,755,190.09</b> |
| Capital work-in-progress (B)**   | 377,188.94          | 27,026.36        | 45,437.69              | -                    | 358,777.61               | -                | -                | -                      | -                | 358,777.61          | 377,188.94          |
| <b>Total (A+B)</b>               | <b>2,169,380.38</b> | <b>72,222.11</b> | <b>45,576.64</b>       | <b>-</b>             | <b>2,196,025.85</b>      | <b>37,001.35</b> | <b>39,958.02</b> | <b>92.00</b>           | <b>76,867.37</b> | <b>2,119,158.48</b> | <b>2,132,379.03</b> |

#\* Inclusive of the assets given on lease.

# Investment property has been pledged as security for borrowings, refer note 22 for details.

\*\* Capital work-in-progress comprises expenditure for building and related equipments under course of construction and installation.

^^ Refer note 44(a)(i).

^^^ Refer note 60.

## Notes to Consolidated Financial Statements (Contd.)

### (i) Contractual obligations

Refer note 49(b) for disclosure of contractual commitments for the acquisition of investment properties.

### (ii) Capitalised borrowing cost

For borrowing cost capitalisation disclosure, refer note 33.

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

(₹ in lakhs)

| Particulars  | 31 March 2018     | 31 March 2017     |
|--|-------------------|-------------------|
| <b>Rental income</b>   | <b>224,007.24</b> | <b>266,693.19</b> |
| Less: direct operating expenses that generated rental income           | 7,807.13          | 8,177.18          |
| Less: direct operating expenses that did not generate rental income    | 83.78             | 817.45            |
| <b>Profit from leasing of investment properties</b>                    | <b>216,116.33</b> | <b>257,698.56</b> |
| Less: depreciation expense   | 33,104.04         | 39,958.02         |
| <b>Profit from leasing of investment properties after depreciation</b> | <b>183,012.30</b> | <b>217,740.54</b> |

### (iv) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 61(b) for details on future minimum lease rentals.

### (v) Fair value

(₹ in lakhs)

| Particulars | 31 March 2018 | 31 March 2017 |
|-------------|---------------|---------------|
| Fair value  | 1,733,735.35  | 6,059,890.45  |

### Fair value hierarchy and valuation technique

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. A valuation model in accordance with that recommended by the international valuation standards committee had been applied. The Group obtains independent valuations for its investment properties annually and fair value measurement has been categorised as Level 3. The fair value has been arrived using discounted cash flow projections based on reliable estimates of future cash flows considering growth in rental of 3%-5% (31 March 2017: 3%-5%), long-term vacancy rate of 7.50%-9.50% (31 March 2017: 7.50%-9.50%) and discount rate of 11.50% (31 March 2017: 12% - 15%).

Valuation models applied for valuation:

- Discounted cash flow method – net present value is determined based on projected cash flows discounted at an appropriate rate.
- Sales comparable method – this method compares the price or price per unit area of similar properties being sold in the marketplace.

Most of the group companies have used the average of above mentioned methods to arrive at fair value except certain group companies wherein fair valuation has been determined based on rent capitalisation method and comparable market rate approach to arrive at fair value.

(₹ in lakhs)

| 6. GOODWILL*                                 |                   |                   |
|--|-------------------|-------------------|
|  | Goodwill          | Total             |
| <b>Balance as at 31 March 2016</b>           | <b>101,789.81</b> | <b>101,789.81</b> |
| Net exchange difference (gain)               | (694.00)          | (694.00)          |
| <b>Balance as at 31 March 2017</b>           | <b>101,095.81</b> | <b>101,095.81</b> |
| Additions                                    | -                 | -                 |
| Deletions (due to Cyber Group disinvestment) | 179.46            | 179.46            |
| <b>Balance as at 31 March 2018</b>           | <b>100,916.35</b> | <b>100,916.35</b> |

\* Goodwill arising on account of consolidation.

(₹ in lakhs)

| 7. OTHER INTANGIBLES ASSETS          |               |  |                  |
|--------------------------------------|---------------|--|------------------|
|                                      | Softwares     | Rights under build, own, operate and transfer project - on building, plant and machinery for commercial space constructed on leasehold land* | Total            |
| <b>Gross block</b>                   |               |  |                  |
| <b>Balance as at 31 March 2016</b>   | <b>446.41</b> | <b>17,536.16</b>   | <b>17,982.57</b> |
| Additions                            | 85.44         | -  | 85.44            |
| Disposals/ adjustments               | 51.03         | -  | 51.03            |
| <b>Balance as at 31 March 2017</b>   | <b>480.82</b> | <b>17,536.16</b>   | <b>18,016.98</b> |
| Additions                            | 204.80        | -  | 204.80           |
| Disposals/ adjustments               | 348.80        | -  | 348.80           |
| <b>Balance as at 31 March 2018</b>   | <b>336.82</b> | <b>17,536.16</b>   | <b>17,872.98</b> |
| <b>Accumulated amortisation</b>      |               |  |                  |
| <b>Balance as at 31 March 2016</b>   | <b>161.49</b> | <b>447.07</b>  | <b>608.56</b>    |
| Charge for the year                  | 101.18        | 421.83   | 523.01           |
| Disposals/ adjustments for the year  | 10.83         | -  | 10.83            |
| <b>Balance as at 31 March 2017</b>   | <b>251.84</b> | <b>868.90</b>  | <b>1,120.74</b>  |
| Charge for the year                  | 81.95         | 462.43   | 544.38           |
| Disposals/ adjustments for the year  | 149.34        | -  | 149.34           |
| <b>Balance as at 31 March 2018</b>   | <b>184.45</b> | <b>1,331.33</b>  | <b>1,515.78</b>  |
| <b>Net block as at 31 March 2017</b> | <b>228.98</b> | <b>16,667.26</b>   | <b>16,896.24</b> |
| <b>Net block as at 31 March 2018</b> | <b>152.37</b> | <b>16,204.83</b>   | <b>16,357.20</b> |

\* Refer note 3(g)

(₹ in lakhs)

| 8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND OTHER INVESTMENT IN JOINT VENTURES/ ASSOCIATES |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | Number of shares    |                     | Amount              |                     |
|   | As At 31 March 2018 | As At 31 March 2017 | As At 31 March 2018 | As At 31 March 2017 |
| <b>A. Investments accounted for using the equity method<sup>^</sup></b>                                 |                     |                     |                     |                     |
| <b>In Joint ventures (unquoted)</b>   |                     |                     |                     |                     |
| <b>In equity shares</b>   |                     |                     |                     |                     |
| Joyous Housing Limited (face value of ₹ 100/- each)   | 37,500              | 37,500              | 6,109.56            | 6,109.56            |
| DLF SBPL Developers Private Limited   | 5,000               | 5,000               | 0.50                | 0.50                |
| DLF Gayatri Home Developers Private Limited   | 5,000               | 5,000               | 0.50                | 0.50                |
| Designplus Associates Services Private Limited  | 125,000             | 125,000             | 5,000.00            | 5,000.00            |
| DLF Midtown Private Limited   | 11,241,547          | 10,820,969          | 39,865.02           | 21,774.06           |
| DLF Urban Private Limited   | 4,640,093           | 4,499,900           | 13,551.30           | 8,485.72            |
| DLF Cyber City Developers Limited* (a & b)  | 1,509,294,198       | -                   | 1,789,338.22        | -                   |
|   |                     |                     | <b>1,853,865.10</b> | <b>41,370.34</b>    |
| <b>Less: (Loss)/ profit share from joint ventures accounted through equity method</b>                   |                     |                     | <b>13,539.71</b>    | <b>(1,106.17)</b>   |
| <b>Sub total (A)</b>  |                     |                     | <b>1,867,404.81</b> | <b>40,264.17</b>    |
| <b>B. Investments in joint ventures (unquoted)<sup>^</sup></b>  |                     |                     |                     |                     |
| <b>In equity shares</b>   |                     |                     |                     |                     |
| YG Realty Private Limited   | 750,100             | 750,100             | 75.01               | 75.01               |
| <b>In compulsorily convertible debentures<sup>^^</sup></b>  |                     |                     |                     |                     |
| YG Realty Private Limited (face value of ₹ 1,000/- each)#####   | 2,585,904           | 2,585,904           | 54,554.75           | 44,590.33           |
|   |                     |                     | <b>54,629.76</b>    | <b>44,665.34</b>    |
| <b>Less: (Loss)/ profit share from joint ventures accounted through equity method</b>                   |                     |                     | <b>(7,462.86)</b>   | <b>(7,126.51)</b>   |
| <b>Sub total (B)</b>  |                     |                     | <b>47,166.90</b>    | <b>37,538.83</b>    |



Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| 8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND OTHER INVESTMENT IN JOINT VENTURES/ ASSOCIATES (CONTD.) |                        |                        |                        |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | Number of shares       |                        | Amount                 |                        |
|  | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| <b>C. In Associates (unquoted)^</b>  |                        |                        |                        |                        |
| <b>In equity shares</b>  |                        |                        |                        |                        |
| DLF Homes Panchkula Private Limited  | 24,669                 | 24,669                 | 9,250.80               | 9,728.46               |
| <b>In compulsorily convertible preference shares</b>   |                        |                        |                        |                        |
| Arizona Globalservices Private Limited (face value of ₹ 100/- each)#   | 100,000,000            | 100,000,000            | 10,000.00              | 10,000.00              |
|  |                        |                        | 19,250.80              | 19,728.46              |
| <b>Less:</b> (Loss)/ profit share from associates accounted through equity method                                |                        |                        | (12,581.30)            | (8,503.61)             |
| <b>Sub total (C)</b>   |                        |                        | 6,669.50               | 11,224.85              |
| <b>D. Other investment in joint ventures/ associates (Equity)^</b>   |                        |                        |                        |                        |
| <b>In joint ventures (unquoted)</b>  |                        |                        |                        |                        |
| <b>In optionally convertible debentures^^</b>  |                        |                        |                        |                        |
| DLF Midtown Private Limited##  | 96,041,694             | 96,041,694             | 32,688.31              | 11,293.95              |
| DLF Urban Private Limited###   | 32,013,898             | 32,013,898             | 18,126.29              | 3,764.65               |
| <b>In compulsorily convertible debentures^^</b>  |                        |                        |                        |                        |
| DLF Midtown Private Limited###   | -                      | 420,578                | -                      | 608.75                 |
| DLF Urban Private Limited###   | -                      | 140,193                | -                      | 202.72                 |
| <b>Sub total (D)</b>   |                        |                        | 50,814.60              | 15,870.07              |
| <b>Grand total (A+B+C+D)</b>   |                        |                        | 1,972,055.81           | 104,897.92             |

^ All equity shares, preference shares and debentures have face value of ₹ 10/- each unless otherwise stated.

^^ These are measured at fair value through profit and loss ('FVTPL')

# These compulsorily convertible preference shares are convertible at the option of investor. If converted (also considering the other terms and conditions of the arrangement) it will assure significant influence over Arizona Globalservices Private Limited by the Company. Hence, Arizona Globalservices Private Limited has been classified as an associate.

## 15% Series C OCDs are convertible into equity shares having face value of ₹ 10/- each in the ratio of 1:1 or redeemable at ₹ 10/- each prior to expiry of 12 years from the date of their issuance (i.e. 12 December 2015) with prior approval of the Board of Directors, however the Series C OCDs are mandatorily convertible after the expiry of 12 years from the date of issuance.

### 15% Series A CCDs are convertible into equity shares having face value of ₹ 10/- each in the ratio of 1:1 post completion of 12 months and prior to the expiry of 18 months from the date of their allotment (i.e. 13 December 2015) solely at the option of the Company, however the Series A CCDs are mandatorily convertible after the expiry of 18 months from the date of allotment. Interest on Series A CCDs accrue on the last day of each financial year.

#### CCDs bears interest of 15%/ 14.75% are fully convertible into class B equity shares (ex voting rights) on 17<sup>th</sup> anniversary of the date of issue. Each CCD is convertible into class B equity shares at premium of ₹ 990 per share.

a) Due to terms and conditions of SPSHA, between the Group and Investor, requiring unanimity of agreement in respect of significant matters related to the financial and operating policies of DCCDL and its subsidiaries ("DCCDL Group"), the Group considers that it does not solely control DCCDL Group and therefore investment in DCCDL Group has been accounted for as joint venture in accordance with Ind AS 28 'Investment in Associated and Joint Ventures' and Ind AS 111 'Joint Arrangements' (refer note 44 for details).

b) Investment in DCCDL includes Goodwill amounting to ₹ 310,442.00 lakhs as at 31 March 2018 [refer note 44(a) for details].

Following adjustments were made to the fair value of investment post acquisition date:

|   |                     |
|---|---------------------|
| <b>Investment value as at acquisition date</b>                      | <b>1,790,662.75</b> |
| Less: Direct adjustments to Equity by DCCDL (CCPS)                  | (1,324.52)          |
|   | <b>1,789,338.23</b> |
| Add: Share of profit for the year [refer note 47(3)]                | 23,129.14           |
| Add: Depreciation reversal arising out of Purchase Price Allocation | 61.00               |
| Less: Elimination of profits on account of transaction with DCCDL   | (8,205.60)          |
| <b>Closing Value of investment in DCCDL</b>                         | <b>1,804,322.77</b> |

(₹ in lakhs)

| <b>9. INVESTMENTS (NON-CURRENT)^</b>  |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Number of shares       |                        | Amount                 |                        |
|   | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| <b>In equity instruments</b>  |                        |                        |                        |                        |
| <b>In other companies (quoted)*</b>   |                        |                        |                        |                        |
| Shree Ram Urban Infrastructure Limited  | 401,584                | 401,584                | 148.59                 | 251.19                 |
| Hubtown Limited   | 430,621                | 430,621                | 303.59                 | 390.79                 |
| <b>Sub total (A)</b>  |                        |                        | <b>452.18</b>          | <b>641.98</b>          |
| <b>In other companies (unquoted)*</b>   |                        |                        |                        |                        |
| Alankrit Estates Limited  | 3                      | 3                      | 0.05                   | -\$                    |
| Aricent Technologies (Holdings) Limited   | 810                    | 810                    | -\$                    | -\$                    |
| Balaji Highways Holding Private Limited   | 51,000                 | 51,000                 | -\$                    | -\$                    |
| Kirtimaan Builders Limited  | 2                      | 2                      | 0.37                   | -\$                    |
| HKR Tollways Limited  | 5,000                  | 5,000                  | 0.50                   | 0.50                   |
| DLF Brands Limited  | 8,000,000              | 8,000,000              | 460.00                 | 848.80                 |
| Northern India Theatres Private Limited (face value of ₹ 100/- each)                | 90                     | 90                     | 0.09                   | 0.09                   |
| Realest Builders and Services Private Limited                                       | 50,012                 | 50,012                 | 5.03                   | 5.03                   |
| SKH Constructwell Private Limited   | 92,550                 | 92,550                 | 100.03                 | 80.04                  |
| Prudent Management Strategies Private Limited                                       | 90,100                 | 90,100                 | 99.98                  | 100.84                 |
| SKH Infrastructure Developers Private Limited                                       | 92,550                 | 92,550                 | 86.04                  | 65.81                  |
| Ripple Infrastructure Private Limited   | 90,100                 | 90,100                 | 115.34                 | 99.17                  |
| Luxurious Bus Seats Private Limited   | 98,250                 | 98,250                 | 198.33                 | 111.66                 |
| Felicite Builders & Constructions Private Limited                                   | 203,000                | 203,000                | 20.30                  | 20.30                  |
| Radiant Sheet Metal Components Private Limited                                      | 98,500                 | 98,500                 | 171.39                 | 169.42                 |
| Carnoustie Management (India) Private Limited                                       | 40,000                 | 40,000                 | 103.20                 | 110.00                 |
| Tulip Renewable Powertech Private Limited###  | 3,033,500              | 2,371,500              | 95.55                  | 70.38                  |
| Clover Energy Private Limited###  | 1,101,200              | 2,790,000              | 35.02                  | 62.28                  |
| Rapid Metrorail Gurgaon Limited   | 27,083                 | 27,083                 | 2.71                   | 1.27                   |
| Ujagar Estates Limited  | 2                      | 2                      | 0.51                   | -\$                    |
| Zola Real Estate Private Limited  | 10,000                 | 10,000                 | -\$                    | -\$                    |
| <b>Sub total (B)</b>  |                        |                        | <b>1,494.44</b>        | <b>1,745.59</b>        |
| Less: Assets included in disposal group classified as held for sale (refer note 60) |                        |                        | (73.09)                | -                      |
|   |                        |                        | <b>1,421.35</b>        | <b>1,745.59</b>        |
| <b>In mutual and other funds (unquoted)#</b>  |                        |                        |                        |                        |
| Faering Capital India Evolving Fund   | 325,017                | 371,638                | 6,482.36               | 5,967.75               |
| Faering Capital India Evolving Fund - II  | 250,000                | 250,000                | 2,785.00               | 2,500.00               |
| <b>Sub total (C)</b>  |                        |                        | <b>9,267.36</b>        | <b>8,467.75</b>        |
| <b>Grand total (A+B+C)</b>  |                        |                        | <b>11,140.89</b>       | <b>10,855.32</b>       |
| Aggregate amount of book value and market value of quoted investments               |                        |                        | <b>452.18</b>          | <b>641.98</b>          |
| Aggregate amount of unquoted investments  |                        |                        | <b>10,688.71</b>       | <b>10,213.34</b>       |

^ All equity shares are of ₹ 10/- each unless otherwise stated.

\* All these investments are measured at fair value through other comprehensive income ('FVOCI').

# These investments are measured at fair value through profit and loss ('FVTPL').

\$ These investments are measured at fair value with a minimal value and hence, rounded off to ₹ 'Nil'.

\$\$ These are measured at amortised cost

Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>10. TRADE RECEIVABLES#*</b>  |                                |                                |                                |                                |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b>                         | <b>Non-current</b>             |                                | <b>Current</b>                 |                                |
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Secured   | -                              | -                              | 2,872.96                       | 9,866.25                       |
| Unsecured   |                                |                                |                                |                                |
| Considered good   | -                              | -                              | 125,353.68                     | 131,588.05                     |
| Considered doubtful   | -                              | -                              | 74,006.78                      | 27,530.73                      |
| Due from Directors  | -                              | -                              | 534.10                         | 281.20                         |
|   | -                              | -                              | 202,767.52                     | 169,266.23                     |
| Less: Allowance for expected credit loss  | -                              | -                              | (74,006.78)                    | (27,530.73)                    |
|   | -                              | -                              | 128,760.74                     | 141,735.50                     |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | -                              | -                              | (181.64)                       | -                              |
|   | -                              | -                              | 128,579.10                     | 141,735.50                     |

# Trade receivables have been pledged as security for borrowings, refer note 22 for details.

\* Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(₹ in lakhs)

| <b>11. LOANS</b>  |                                |                                |                                |                                |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b>                         | <b>Non-current</b>             |                                | <b>Current</b>                 |                                |
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Security deposits   |                                |                                |                                |                                |
| Secured   | 141.10                         | 113.26                         | 173.62                         | 105.18                         |
| Unsecured   |                                |                                |                                |                                |
| Considered good   | 8,589.34                       | 9,185.02                       | 3,937.97                       | 3,690.36                       |
| Considered doubtful   | 4,784.13                       | 5,126.00                       | 1,875.00                       | -                              |
| Loans to joint ventures/ operations and associates                                  | 21,782.11                      | 28,388.13                      | 119,960.49                     | 43,152.23                      |
| Considered doubtful   | -                              | 19,125.93                      | -                              | -                              |
| Loan to other parties   |                                |                                |                                |                                |
| Considered good   | 69.12                          | 6,109.32                       | 2,884.19                       | 2,638.21                       |
| Considered doubtful   | 7,577.03                       | -                              | 11,356.93                      | 5,741.57                       |
| Loan to employees   | 8.15                           | 445.67                         | 2,839.60                       | 3,160.73                       |
|   | 42,950.98                      | 68,493.33                      | 143,027.80                     | 58,488.28                      |
| Less: Allowance for expected credit loss  | (12,361.16)                    | (24,252.53)                    | (13,231.93)                    | (5,740.97)                     |
|   | 30,589.82                      | 44,240.80                      | 129,795.87                     | 52,747.31                      |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | (2,638.02)                     | -                              | -                              | -                              |
|   | 27,951.80                      | 44,240.80                      | 129,795.87                     | 52,747.31                      |

(₹ in lakhs)

**12. OTHER FINANCIAL ASSETS**

| <b>12a. DERIVATIVE INSTRUMENTS</b>                |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | <b>Non-current</b>   |                      | <b>Current</b>       |                      |
|   | <b>31 March 2018</b> | <b>31 March 2017</b> | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Derivative instruments at fair value through OCI* | 4,514.69             | 5,168.00             | -                    | -                    |
|   | 4,514.69             | 5,168.00             | -                    | -                    |

\* Derivative instruments at fair value through OCI reflect the positive change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast payments for External Commercial Borrowings taken by the Company in USD.

(₹ in lakhs)

| <b>12b. OTHER FINANCIAL ASSETS</b>  |                                |                                |                                |                                |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b>                         | <b>Non-current</b>             |                                | <b>Current</b>                 |                                |
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Bank deposits for maturity more than 12 months                                      | 599.39                         | 3,512.31                       | -                              | -                              |
| Amount due on redeemable instruments  | -                              | 364.90                         | 2,577.85                       | 5,421.99                       |
| Unbilled receivables  | -                              | 7,769.59                       | 176,781.81                     | 223,211.58                     |
| Advances recoverable in cash  |                                |                                |                                |                                |
| Secured   | -                              | -                              | 800.51                         | 578.20                         |
| Unsecured   |                                |                                |                                |                                |
| Considered good   | 13,848.50                      | 19,275.15                      | 54,766.20                      | 36,109.90                      |
| Considered doubtful   | 34,489.76                      | 32,525.02                      | 6,411.50                       | 7,807.42                       |
|   | 48,937.65                      | 63,446.97                      | 241,337.87                     | 273,129.09                     |
| <b>Less: Allowance for expected credit loss</b>                                     | <b>(34,489.76)</b>             | <b>(32,525.02)</b>             | <b>(6,411.50)</b>              | <b>(7,807.42)</b>              |
|   | 14,447.89                      | 30,921.95                      | 234,926.37                     | 265,321.67                     |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | -                              | -                              | (14,804.88)                    | -                              |
|   | 14,447.89                      | 30,921.95                      | 220,121.49                     | 265,321.67                     |
| <b>Total (12a+12b)</b>  | <b>18,962.58</b>               | <b>36,089.95</b>               | <b>220,121.49</b>              | <b>265,321.67</b>              |

(₹ in lakhs)

| <b>13. I) DEFERRED TAX ASSETS (NET)*#</b>   |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Deferred tax asset arising on account of:</b>  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Unabsorbed business losses, depreciation, amortisation and impairment                                     | 186,629.98                     | 308,013.48                     |
| Unabsorbed long-term capital loss   | -                              | 29,386.89                      |
| Financial instruments measured at amortised cost  | 29.88                          | 56.90                          |
| Interest expense (adjustment arising on account of Income Computation and Disclosure Standards)           | -                              | 14,521.56                      |
| Cash flow hedge reserve   | -                              | 3,124.16                       |
| Expenditure dr to P&L A/c but allowable for tax purposes in subsequent years                              | 797.06                         | -                              |
| Impairment of financial and non-financial assets  | 12,971.75                      | 21,469.37                      |
| Employee benefits   | 664.59                         | 2,489.84                       |
| Others  | 204.38                         | 81.40                          |
|   | 201,297.64                     | 379,143.60                     |
| <b>Deferred tax liability arising on account of:</b>  |                                |                                |
| Depreciation, amortisation and impairment   | (2,847.84)                     | (25,866.96)                    |
| Deduction claimed under Section 24(b) of the Income-tax Act, 1961   | -                              | (12,004.47)                    |
| Rent straightlining   | -                              | (1,068.96)                     |
| Investment in fair value instruments and financial assets measured at amortised cost (loans and deposits) | (9,271.35)                     | (12,362.01)                    |
| Others  | (33.03)                        | -                              |
|   | (12,152.22)                    | (51,302.40)                    |
| Tax credit (minimum alternative tax)  | 18,039.25                      | 111,213.27                     |
|   | 207,184.67                     | 439,054.47                     |
| Less: Assets included in disposal group classified as held for sale (refer note 60)                       | (15.07)                        | -                              |
| <b>Net deferred tax assets</b>  | <b>207,169.60</b>              | <b>439,054.47</b>              |

Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>13. II) DEFERRED TAX LIABILITIES (NET)</b>   |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>Deferred tax liability arising on account of:</b>  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Depreciation, amortisation and impairment   | 8,004.65                       | 673.30                         |
| Deduction claimed under Section 24(b) of the Income-tax Act, 1961                                     | 9,876.46                       | 2,697.67                       |
| Financial instruments measured at amortised cost  | 7,579.57                       | -                              |
| Fair value of equity instruments (including deferred tax on deemed gain on Cyber Group disinvestment) | 406,406.16                     | -                              |
| Others  | 435.85                         | 446.53                         |
|   | <b>432,302.69</b>              | <b>3,817.50</b>                |
| <b>Deferred tax asset arising on account of:</b>  |                                |                                |
| Unabsorbed business losses, depreciation, amortisation and impairment                                 | (148,755.89)                   | (541.66)                       |
| Impairment of financial and non-financial assets  | (3,538.19)                     | (31.01)                        |
| Employee benefits   | (1,431.79)                     | -                              |
| Cash flow hedge reserve   | (3,060.60)                     | -                              |
| Interest expense (adjustment arising on account of Income Computation and Disclosure Standards)       | (9,677.75)                     | -                              |
|   | <b>(166,464.22)</b>            | <b>(572.67)</b>                |
| Tax credit (minimum alternative tax)  | (14,823.07)                    | -                              |
| <b>Net deferred tax liability</b>   | <b>251,015.40</b>              | <b>3,244.83</b>                |

# Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carried forward tax losses can be utilised. Further these losses are available for offset for maximum period of eight years from the incurrence of loss.

\* The asset of ₹ 32,862.32 lakhs (March 31, 2017: ₹ 111,213 lakhs) recognized by the Company as 'MAT credit entitlement' represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of Section 115JAA of the Income-tax Act, 1961. The management, based on the present trend of profitability and also the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize MAT credit assets.

(₹ in lakhs)

| <b>MOVEMENT IN DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (NET)</b>                       |                         |                                       |                              |  |                          |
|---|-------------------------|---------------------------------------|------------------------------|--|--------------------------|
| <b>Particulars</b>  | <b>1 April<br/>2017</b> | <b>Due to Cyber<br/>Disinvestment</b> | <b>Recognised<br/>in OCI</b> | <b>Recognised<br/>in profit and<br/>loss</b> | <b>31 March<br/>2018</b> |
| <b>Assets</b>   |                         |                                       |                              |  |                          |
| Unabsorbed business losses, depreciation, amortisation and impairment                           | 308,555.14              | (3,107.23)                            | -                            | 29,937.96                                    | <b>335,385.87</b>        |
| Unabsorbed long-term capital loss   | 29,386.89               | -                                     | -                            | (29,386.89)                                  | -                        |
| Loans and other financial and non-financial assets  | 21,526.26               | (4,274.57)                            | -                            | (8,291.45)                                   | <b>8,960.25</b>          |
| Interest expense (adjustment arising on account of Income Computation and Disclosure Standards) | 14,521.56               | -                                     | -                            | (4,843.81)                                   | <b>9,677.75</b>          |
| Cash flow hedge reserve   | 3,124.16                | -                                     | (668.98)                     | 605.42                                       | <b>3,060.60</b>          |
| Expenditure dr to P&L A/c but allowable for tax purposes in subsequent years                    | -                       | -                                     | -                            | 797.06                                       | <b>797.06</b>            |
| Employee benefits   | 2,489.84                | -                                     | (2.11)                       | (391.35)                                     | <b>2,096.38</b>          |
| <b>Liabilities</b>  |                         |                                       |                              |  |                          |
| Depreciation, amortisation and impairment   | (26,986.79)             | 6,941.44                              | -                            | 9,192.86                                     | <b>(10,852.49)</b>       |

(₹ in lakhs)

| <b>MOVEMENT IN DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (NET) (CONTD.)</b>                    |                     |                                   |                          |                                      |                      |
|---|---------------------|-----------------------------------|--------------------------|--------------------------------------|----------------------|
| <b>Particulars</b>  | <b>1 April 2017</b> | <b>Due to Cyber Disinvestment</b> | <b>Recognised in OCI</b> | <b>Recognised in profit and loss</b> | <b>31 March 2018</b> |
| Deduction claimed under Section 24(b) of the of the Income-tax Act, 1961                              | (14,702.14)         | 5,066.78                          | -                        | (241.10)                             | <b>(9,876.46)</b>    |
| Rent straightlining   | (1,068.95)          | -                                 | -                        | 1,068.95                             | -                    |
| Loans and other financial and non-financial assets  | (12,331.00)         | -                                 | -                        | 3,059.67                             | <b>(9,271.34)</b>    |
| Fair value of equity instruments (including deferred tax on deemed gain on Cyber Group disinvestment) | -                   | -                                 | 326.87                   | (406,733.03)                         | <b>(406,406.16)</b>  |
| Others  | 81.40               | -                                 | -                        | (360.98)                             | <b>(279.58)</b>      |
| <b>Sub-total</b>  | <b>324,596.37</b>   | <b>4,626.42</b>                   | <b>(344.22)</b>          | <b>(405,586.69)</b>                  | <b>(76,708.12)</b>   |
| Tax credit (minimum alternative tax)  | 111,213.27          | (109,674.74)                      | -                        | 31,323.79                            | <b>32,862.32</b>     |
| <b>Total</b>  | <b>435,809.64</b>   | <b>(105,048.32)</b>               | <b>(344.22)</b>          | <b>(374,262.90)</b>                  | <b>(43,845.80)</b>   |

The major components of income tax expenses for the year ended 31 March 2018 and 31 March 2017 are:

(₹ in lakhs)

| <b>a) Profit or loss section</b>  | <b>As At 31 March 2018</b> | <b>As At 31 March 2017</b> |
|---|----------------------------|----------------------------|
| Current tax (including earlier years)   | <b>58,042.07</b>           | 48,657.46                  |
| Minimum alternate tax credit entitlement (including earlier years)  | <b>(31,323.79)</b>         | (28,300.33)                |
| Deferred tax charge   | <b>405,586.69</b>          | 2,569.38                   |
| Income tax expense reported in the statement of profit and loss   | <b>432,304.97</b>          | <b>22,926.51</b>           |
| <b>b) Other comprehensive income/ loss section</b>  |                            |                            |
| Re-measurement (loss)/ gain on defined benefit plans  | <b>(2.11)</b>              | 52.00                      |
| Net (loss)/ gain on fair value of FVOCI equity instruments  | <b>326.87</b>              | 77.58                      |
| Amortisation of forward element of forward contracts and recognition of changes in fair value of hedging instrument | <b>(668.98)</b>            | 412.30                     |
| Deferred tax charge (credit)  | <b>(344.22)</b>            | <b>541.88</b>              |
| <b>c) Reconciliation of tax expense and the accounting profit multiplied by tax rate</b>                            |                            |                            |
| Accounting profit before income tax   | <b>861,546.46</b>          | 102,952.59                 |
| At country's statutory income tax rate of 34.608% (31 March 2017: 34.608%)  | <b>298,164.00</b>          | 35,629.83                  |
| <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>                      |                            |                            |
| Exempted income (dividend and other permanent deductions)   | <b>(18,234.96)</b>         | (21,244.94)                |
| Expenses disallowed under Income-tax Act, 1961  | <b>6,904.33</b>            | 18,655.49                  |
| Tax impact for assets assessed under house property   | <b>(3,922.17)</b>          | (2,907.85)                 |
| FCTR reclass to statement of profit and loss  | <b>(8,305.92)</b>          | -                          |
| Additional tax paid as per Section 43CA of Income-tax Act, 1961   | <b>1,883.37</b>            | -                          |
| Effect of change in tax rate/ different tax rates under various heads taxable under Income-tax Act, 1961            | <b>53,483.19</b>           | (20,946.49)                |
| Unrecognised deferred tax on unabsorbed losses and other items  | <b>102,402.27</b>          | 25,188.14                  |
| Earlier year items  | <b>(1,595.47)</b>          | (8,927.67)                 |
| Others  | <b>1,526.34</b>            | (2,520.00)                 |
|   | <b>432,304.97</b>          | <b>22,926.51</b>           |

Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>14. NON-CURRENT TAX ASSETS (NET)</b> |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Advance income tax                      | 112,836.30                     | 142,641.51                     |
|   | <b>112,836.30</b>              | <b>142,641.51</b>              |

(₹ in lakhs)

| <b>15. OTHER ASSETS</b>   |                                |                                |                                |                                |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   | <b>Non-current</b>             |                                | <b>Current</b>                 |                                |
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Advances recoverable in kind  |                                |                                |                                |                                |
| Secured   | -                              | -                              | 2,913.61                       | 10,437.56                      |
| Unsecured   |                                |                                |                                |                                |
| Considered good   | 73,457.16                      | 90,252.55                      | 86,798.07                      | 49,143.12                      |
| Considered doubtful   | 9,496.12                       | 4,196.39                       | 1,470.40                       | 2,287.66                       |
| Balance with statutory authorities  | 76,372.72                      | 70,541.49                      | 28,336.43                      | 25,675.78                      |
| Capital advances  | 447.26                         | 10,795.16                      | -                              | -                              |
|   | <b>159,773.26</b>              | <b>175,785.59</b>              | <b>119,518.51</b>              | <b>87,544.12</b>               |
| Less: Impairment of non-financial assets  | (9,496.12)                     | (4,196.39)                     | (1,470.40)                     | (2,287.66)                     |
|   | <b>150,277.14</b>              | <b>171,589.20</b>              | <b>118,048.11</b>              | <b>85,256.46</b>               |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | (2,206.87)                     | -                              | (4,153.24)                     | -                              |
|   | <b>148,070.27</b>              | <b>171,589.20</b>              | <b>113,894.87</b>              | <b>85,256.46</b>               |

(₹ in lakhs)

| <b>16. INVENTORIES*</b>   |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>(Lower of cost or net realisable value)</b>                                      | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Land, plots, construction work-in-progress and development/ construction material   | 1,564,133.87                   | 1,609,943.38                   |
| Development rights  | 417,507.80                     | 396,631.48                     |
|   | <b>1,981,641.67</b>            | <b>2,006,574.86</b>            |
| Food and beverages  | 870.75                         | 624.06                         |
| Stores and spares   | 2,273.07                       | 2,681.25                       |
|   | <b>3,143.82</b>                | <b>3,305.31</b>                |
|   | <b>1,984,785.49</b>            | <b>2,009,880.17</b>            |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | (9,493.49)                     | -                              |
|   | <b>1,975,292.00</b>            | <b>2,009,880.17</b>            |

For borrowing cost capitalisation disclosure, refer note 33.

\* During the year ended 31 March 2018, ₹ 72,397.65 lakhs ( 31 March 2017: ₹ Nil) was recognised as expense for inventories carried at net realisable value.

(₹ in lakhs)

| <b>17. CURRENT INVESTMENTS</b>  |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Number of shares       |                        | Amount                 |                        |
|   | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| <b>In equity instruments</b>  |                        |                        |                        |                        |
| <b>In other companies (quoted, unless otherwise stated)#</b>                        |                        |                        |                        |                        |
| EIH Limited (Face Value of ₹ 2/- each)  | 177,681                | 177,681                | 282.69                 | 213.93                 |
| Reliance Communications Limited (Face Value of ₹ 5/- each)                          | 80,000                 | 80,000                 | 17.40                  | 30.64                  |
| Reliance Power Limited (Face Value of ₹ 10/- each)                                  | 228,633                | 228,633                | 82.54                  | 109.74                 |
| IL&FS Investment Managers Limited (Face Value of ₹ 10/- each)                       | 375                    | 375                    | 0.06                   | 0.05                   |
| Continental Construction Limited <sup>^</sup>                                       | 100                    | 100                    | -                      | -                      |
| Ispat Profiles Limited <sup>^</sup>   | 250                    | 250                    | -                      | -                      |
| Usha India Limited <sup>^</sup>   | 120                    | 120                    | -                      | -                      |
| <b>Sub total (A)</b>  |                        |                        | <b>382.69</b>          | <b>354.36</b>          |
| <b>In Mutual funds (quoted, unless otherwise stated) fully paid up#</b>             |                        |                        |                        |                        |
| Urban Infrastructure Opportunities Fund (unquoted) (Face Value of ₹ 100,000/- each) | 10,908                 | 10,908                 | 3,003.63               | 4,416.32               |
| Birla Sun Life Cash Plus (Face Value of ₹ 10/- each)                                | 115,196                | 401,806                | 115.51                 | 402.59                 |
| Ashmore India Oportunity Fund (Face Value of ₹ 10/- each)                           | 15,127,220             | -                      | 1,496.70               | -                      |
| Aditya Birla Sun Life Cash Plus (Face Value of ₹ 100/- each)                        | 11,006,778             | -                      | 11,036.80              | -                      |
| Aditya Birla Sun Life Enhanced Arbitrage Fund (Face Value of ₹ 10/- each)           | 22,565,825             | -                      | 2,491.52               | -                      |
| Axis Enhanced Arbitrage Fund (Face Value of ₹ 10/- each)                            | 45,728,919             | -                      | 4,998.45               | -                      |
| Axis Liquid Fund (Face Value of ₹ 1000/- each)                                      | 402,633                | -                      | 4,030.18               | -                      |
| DSP BlackRock Liquidity Fund (Face Value of ₹ 1000/- each)                          | 907,674                | -                      | 9,085.21               | -                      |
| Franklin India Treasury Management Accounts (Face Value of ₹ 1000/- each)           | 633,491                | -                      | 6,350.12               | -                      |
| ICICI Prudential Equity Arbitrage Fund (Face Value of ₹ 10/- each)                  | 16,848,518             | -                      | 2,433.57               | -                      |
| ICICI Prudential Money Market Fund (Face Value of ₹ 100/- each)                     | 4,996,903              | -                      | 5,007.04               | -                      |
| Reliance Arbitrage Advantage Fund (Face Value of ₹ 10/- each)                       | 22,994,426             | -                      | 2,496.94               | -                      |
| Reliance Liquid Fund-Cash Plan (Face Value of ₹ 1000/- each)                        | 1,216,381              | -                      | 13,560.01              | -                      |
| SBI Arbitrage Opportunity Fund (Face Value of ₹ 10/- each)                          | 70,584,672             | -                      | 9,987.10               | -                      |
| SBI Premier Liquid Fund (Face Value of ₹ 1000/- each)                               | 1,297,357              | -                      | 13,015.73              | -                      |
| UTI Money Market Fund (Face Value of ₹ 1000/- each)                                 | 299,737                | -                      | 3,007.52               | -                      |
| UTI Spread Fund (Face Value of ₹ 10/- each)   | 44,745,787             | -                      | 7,459.57               | -                      |
| <b>Sub total (B)</b>  |                        |                        | <b>99,575.60</b>       | <b>4,818.91</b>        |
| <b>Total(A+B)</b>   |                        |                        | <b>99,958.29</b>       | <b>5,173.27</b>        |
| Aggregate amount of book value and market value of quoted investments               |                        |                        | <b>96,954.66</b>       | <b>756.95</b>          |
| Aggregate amount of unquoted investments  |                        |                        | <b>3,003.63</b>        | <b>4,416.32</b>        |
| Aggregate amount of impairment in value of quoted investments                       |                        |                        | -                      | -                      |
| Aggregate amount of impairment in value of unquoted investments                     |                        |                        | -                      | -                      |

<sup>^</sup> Rounded off to ₹ Nil.

# These investments are measured at fair value through profit and loss (FVTPL).



## Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>18. CASH AND CASH EQUIVALENTS</b>  |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Cash in hand  | 79.84                          | 381.00                         |
| Cheques in hand   | 414.60                         | 2,067.04                       |
| Balances with banks in current accounts   |                                |                                |
| In current accounts with scheduled banks*   | 57,798.52                      | 107,082.42                     |
| In current accounts with non-scheduled banks  | 1,092.13                       | 1,101.16                       |
| Bank deposits with maturity less than 3 months                                      | 76,313.44                      | 230,627.38                     |
|   | <b>135,698.53</b>              | <b>341,259.00</b>              |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | (74.25)                        | -                              |
|   | <b>135,624.28</b>              | <b>341,259.00</b>              |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

\* ₹ 200.42 lakhs (31 March 2017: ₹ Nil) held in escrow account for a project registered under Real Estate (Regulation and Development) Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects.

(₹ in lakhs)

| <b>19. OTHER BANK BALANCES</b>  |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Unpaid dividend accounts  | 367.38                         | 298.30                         |
| Bank deposits   |                                |                                |
| Earmarked bank balances and bank deposits   | 16,333.52                      | 18,604.19                      |
| Bank deposits maturity for more than 3 months but less than 12 months               | 75,856.75                      | 49,731.10                      |
|   | <b>92,557.65</b>               | <b>68,633.59</b>               |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | (388.85)                       | -                              |
|   | <b>92,168.80</b>               | <b>68,633.59</b>               |

### Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in lakhs)

|                           | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
|---------------------------|--------------------------------|--------------------------------|
| Cash and cash equivalents | 135,624.28                     | 341,259.00                     |
| Book overdraft            | (1,128.79)                     | (351.81)                       |
| Liquid investment         | 99,958.29                      | 5,173.27                       |
| Current borrowings        | (880,804.14)                   | (340,801.93)                   |
| Non-current borrowings    | (868,275.40)                   | (2,579,420.36)                 |
|                           | <b>(1,514,625.76)</b>          | <b>(2,574,141.83)</b>          |

(₹ in lakhs)

| <b>Particulars</b>  | <b>Cash<br/>and cash<br/>equivalents</b> | <b>Book<br/>overdraft</b> | <b>Liquid<br/>investment</b> | <b>Non-current<br/>borrowings</b> | <b>Current<br/>borrowings</b> | <b>Total</b>          |
|---|--|---------------------------|------------------------------|-----------------------------------|-------------------------------|-----------------------|
| <b>Net debt as at 31 March 2017</b>                       | <b>341,259.00</b>                        | <b>(351.81)</b>           | <b>5,173.27</b>              | <b>(2,579,420.36)</b>             | <b>(340,801.93)</b>           | <b>(2,574,141.83)</b> |
| Cash flows  | (205,634.72)                             | (776.98)                  | -                            | 170,102.57                        | 216,301.66                    | 179,992.53            |
| Foreign exchange adjustments                              | -  | -                         | -                            | 982.71                            | -                             | 982.71                |
| Interest expenses<br>(excluding interest accrued not due) | -  | -                         | -                            | (169,768.74)                      | (64,713.36)                   | (234,482.10)          |
| Interest paid   | -  | -                         | -                            | 154,786.97                        | 64,713.36                     | 219,500.33            |
| <b>Other non-cash movement</b>                            |  |                           |                              |                                   |                               |                       |
| - Cyber Group disinvestment                               |  |                           |                              | 1,541,042.39                      | (756,303.87)                  | 784,738.52            |
| - Transaction cost adjustment                             |  |                           |                              | 13,999.06                         |                               | 13,999.06             |
| - Acquisition/ disposal                                   | -  | -                         | 96,169.39                    | -                                 | -                             | 96,169.39             |
| - Fair value adjustment                                   | -  | -                         | (1,384.37)                   | -                                 | -                             | (1,384.37)            |
| <b>Net debt as at 31 March 2018</b>                       | <b>135,624.28</b>                        | <b>(1,128.79)</b>         | <b>99,958.29</b>             | <b>(868,275.40)</b>               | <b>(880,804.14)</b>           | <b>(1,514,625.76)</b> |

(₹ in lakhs)

| 20. EQUITY SHARE CAPITAL   |                        |                        |
|--|------------------------|------------------------|
|  | As At<br>31 March 2018 | As At<br>31 March 2017 |
| <b>Authorised capital</b>  |                        |                        |
| 4,997,500,000 (31 March 2017: 2,497,500,000) equity shares of ₹ 2/- each               | 99,950.00              | 49,950.00              |
| <b>Issued and subscribed capital</b>   |                        |                        |
| 1,791,749,275 (31 March 2017: 1,791,685,337) equity shares of ₹ 2/- each               | 35,834.99              | 35,833.71              |
| <b>Paid-up capital</b>   |                        |                        |
| 1,784,067,028 (31 March 2017: 1,784,003,090) equity shares of ₹ 2/- each fully paid-up | 35,681.34              | 35,680.06              |

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

i) Authorised equity shares

|                                      | No. of shares | No. of shares |
|--------------------------------------|---------------|---------------|
| Balance at the beginning of the year | 2,497,500,000 | 2,497,500,000 |
| Increased during the year            | 2,500,000,000 | -             |
| Balance at the end of the year       | 4,997,500,000 | 2,497,500,000 |

During the year ended 31 March 2018, the authorised share capital was increased by ₹ 50,000 lakhs i.e. 2,500,000,000 equity shares of ₹ 2/- each

ii) Issued equity shares

|   | As At 31 March 2018  |                  | As At 31 March 2017  |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | No. of shares        | (₹ in lakhs)     | No. of shares        | (₹ in lakhs)     |
| Equity shares at the beginning of the year                          | 1,791,685,337        | 35,833.71        | 1,791,398,329        | 35,827.97        |
| Add: Shares issued on exercise of Employee Stock Option Plan (ESOP) | 63,938               | 1.28             | 287,008              | 5.74             |
| <b>Equity shares at the end of the year</b>                         | <b>1,791,749,275</b> | <b>35,834.99</b> | <b>1,791,685,337</b> | <b>35,833.71</b> |

iii) Paid-up equity shares

|   | As At 31 March 2018  |                  | As At 31 March 2017  |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | No. of shares        | (₹ in lakhs)     | No. of shares        | (₹ in lakhs)     |
| Equity shares at the beginning of the year                          | 1,784,003,090        | 35,680.06        | 1,783,716,082        | 35,674.32        |
| Add: Shares issued on exercise of Employee Stock Option Plan (ESOP) | 63,938               | 1.28             | 287,008              | 5.74             |
| <b>Equity shares at the end of the year</b>                         | <b>1,784,067,028</b> | <b>35,681.34</b> | <b>1,784,003,090</b> | <b>35,680.06</b> |

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholder.

During the year ended 31 March 2018, the amount of interim dividend recognized as distribution to equity shareholders is ₹ 1.20 per share (31 March 2017: ₹ Nil).

During the year ended 31 March 2018, the amount of final dividend recognized as distribution to equity shareholders is ₹ Nil (31 March 2017: ₹ 2/- per share).

c) Details of shareholders holding more than 5% shares in the Company

|   | As At 31 March 2018 |              | As At 31 March 2017 |              |
|---|---------------------|--------------|---------------------|--------------|
|   | No. of shares       | %age holding | No. of shares       | %age holding |
| <b>Equity shares of ₹ 2 each fully paid up</b>      |                     |              |                     |              |
| Panchsheel Investment Company**                     | -                   | -            | 312,110,500         | 17.49        |
| Sidhant Housing and Development Company**           | -                   | -            | 237,209,700         | 13.30        |
| Kohinoor Real Estates Company**                     | -                   | -            | 95,353,400          | 5.34         |
| Madhur Housing and Development Company**            | -                   | -            | 93,819,600          | 5.26         |
| Yashika Properties and Development Company**        | -                   | -            | 92,080,400          | 5.16         |
| Prem Traders LLP                                    | 90,059,200          | 5.05         | 90,059,200          | 5.05         |
| Rajdhani Investments & Agencies Private Limited\$\$ | 964,680,080         | 54.07        | -                   | -            |

\$\$ During the year, pursuant to scheme of arrangement and approval of National Company Law Tribunal, companies marked with \*\* got merged with Rajdhani Investments & Agencies Private Limited & accordingly it has become parent of the Company.

## Notes to Consolidated Financial Statements (Contd.)

d) **Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date 31 March 2018**

i) **Shares issued under Employee Stock Option Plan (ESOP) during the financial year 2013-14 to 2017-18**

The Company has issued total 4,329,534 equity shares of ₹ 2/- each (during FY 2012-13 to 2016-17: 4,598,954 equity shares) during the period of five years immediately preceding 31 March 2018 on exercise of options granted under the Employee Stock Option Plan (ESOP).

e) **Shares reserved for issue under options**

For details of shares reserved for issue under the Employee Stock Option plan (ESOP) of the Company, refer note 59.

For details of share reserved for issue on conversion of warrants and CCDs, refer note 42.

(₹ in lakhs)

| <b>20A. PREFERENCE SHARE CAPITAL</b>   |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>Authorised preference share capital</b>   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| 50,000 (31 March 2017: 50,000) cumulative redeemable preference shares of ₹ 100/- each | 50.00                          | 50.00                          |
|  | <b>50.00</b>                   | <b>50.00</b>                   |

(₹ in lakhs)

| <b>21. OTHER EQUITY</b>                                 |                      |                      |
|---|----------------------|----------------------|
|   | <b>31 March 2018</b> | <b>31 March 2017</b> |
| Share application money pending allotment               | (0.00)               | 0.22                 |
| Equity component of compound financial instruments      | 3.74                 | 109,787.49           |
| Reserves and surplus                                    |                      |                      |
| Capital reserve   | 49,354.02            | 235,399.13           |
| Capital redemption reserve                              | 1,579.39             | 49,922.15            |
| Securities premium reserve                              | 1,083,926.24         | 1,084,685.28         |
| General reserve   | 280,127.97           | 288,196.30           |
| Share options outstanding account                       | 1,294.19             | 1,313.19             |
| Forfeiture of shares                                    | 66.55                | 66.55                |
| Debenture redemption reserve                            | 21,831.24            | 30,883.17            |
| Equity component of compulsorily convertible debentures | 825,000.00           | -                    |
| Retained earnings                                       | 1,161,451.35         | 602,704.98           |
| Foreign currency translation reserve (net of tax)       | -                    | 24,071.28            |
| Other comprehensive income                              |                      |                      |
| FVOCI equity instruments (net of tax)                   | (2,216.00)           | (2,096.18)           |
| Cash flow hedge reserve (net of tax)                    | (2,066.08)           | (3,330.13)           |
|   | <b>3,420,352.61</b>  | <b>2,421,603.43</b>  |

### **Nature and purpose of other reserves**

#### **Capital reserve**

Capital reserve which is created in previous GAAP out of the profit earned from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders.

#### **Capital redemption reserve**

Capital redemption reserve has been created in accordance with the provisions of Companies Act, 2013 for the buy back of equity shares from the shareholders.

#### **Securities premium reserve**

Securities premium reserve is created to record the premium received over and above the face value of shares at the time of issue of shares.

The securities premium account may be applied by the company:

- towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
- in writing off the preliminary expenses of the company;
- in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;

- d. in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
- e. for the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.

#### General reserve

The Holding Company is required to create a general reserve out of the profits when the Holding Company declares dividend to shareholders.

#### Share option outstanding account

The reserve is used to recognise the grant date fair value of the options issued to employees under the Holding Company's Employee Stock Option Plan.

#### Forfeiture of shares

This reserve was created on forfeiture of shares by the Holding Company. The reserve is not available for the distribution to the shareholders.

#### Equity component of compulsorily convertible debentures

The Company has issued compulsorily convertible debentures (CCDs) having coupon rate of 0.01% . This being compound financial instruments and accordingly represents equity component of CCDs on split of compound financial instruments. This will be converted to equity shares within 18 months of allotment (also refer note 59).

#### Debenture redemption reserve (DRR):

The Group has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. Though the DRR is required to be created over the life of debentures, the Company has upfront created DRR out of retained earnings for an amount which is higher than the minimum required.

(₹ in lakhs)

| 22. BORROWINGS   |                        |                        |                        |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | Non-current            |                        | Current Maturities     |                        |
|  | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| <b>Secured</b>   |                        |                        |                        |                        |
| 10% Non-cumulative irredeemable debentures   | 0.90                   | 0.90                   | -                      | -                      |
| Non-convertible redeemable debentures  | 68,430.33              | 196,406.59             | 40,681.84              | 40,024.65              |
| <b>Unsecured</b>   |                        |                        |                        |                        |
| Convertible debentures   | 99,189.27              | -                      | -                      | -                      |
| <b>Secured</b>   |                        |                        |                        |                        |
| Term loans   |                        |                        |                        |                        |
| Foreign currency loan  |                        |                        |                        |                        |
| From banks   | 124,596.67             | 157,556.02             | 31,977.38              | 15,467.28              |
| Rupee loan   |                        |                        |                        |                        |
| From banks   | 138,831.11             | 1,109,197.35           | 43,951.37              | 113,999.45             |
| From others  | 179,222.12             | 862,330.32             | 127,699.28             | 84,389.28              |
| Vehicle loan from banks  | 284.50                 | 39.52                  | 72.17                  | 9.00                   |
| <b>Unsecured</b>   |                        |                        |                        |                        |
| Loan from Related Parties  | 13,338.46              | -                      | -                      | -                      |
|  | 623,893.36             | 2,325,530.70           | 244,382.04             | 253,889.66             |
| Amount disclosed under other financial liabilities as "Current maturities of long-term borrowings" (refer note 24) | -                      | -                      | 244,382.04             | 253,889.66             |
|  | 623,893.36             | 2,325,530.70           | -                      | -                      |

#### Secured Borrowings:

##### 1. Repayment terms and security disclosure for the outstanding long-term borrowings (excluding current maturities) as on 31 March 2018:

###### a) Secured debentures - irredeemable, non-convertible debentures of ₹ 100 each referred above to the extent of:

₹ 0.90 lakhs are secured by floating charge on the assets, owned by a subsidiary company. Coupon rate of these debentures is 10%.

## Notes to Consolidated Financial Statements (Contd.)

### b) Secured debentures - listed, redeemable, non-convertible debentures of ₹ 50,000,000 each referred above to the extent of:

- (i) Non-convertible debentures of ₹ 68,430.33 lakhs (31 March 2017: ₹ 102,416.37 lakhs) are secured by way of pari passu charge on the immovable property situated at New Delhi, owned by the subsidiary company. Coupon rate of these debentures is 12.25% and the outstanding amount (excluding current maturities) is due for redemption beginning from 9 August 2019 to 11 August 2020.
- (ii) Non-convertible debentures of ₹ Nil (31 March 2017: ₹ 6,237.14 lakhs) are secured by way of pari passu charge on the immovable property situated at New Delhi, owned by the subsidiary company. Coupon rate of these debentures is 12.50%. The said debentures had been fully repaid subsequently in April 2018.

### c) Foreign currency loan from banks:

Foreign currency loan of ₹ 124,596.67 lakhs (31 March 2017: ₹ 157,556.02 lakhs) is secured by way of (i) Equitable mortgage of immovable property situated at New Delhi, owned by subsidiary company, (ii) Pledge over the shareholding of subsidiary company owning the aforesaid immovable property. The outstanding amount (excluding current maturities) is repayable in 10 quarterly installments starting from April 2019.

### d) Term loans from banks are secured by way of:

- (a) Term loan of ₹ 4,898.35 lakhs (31 March 2017: ₹ 9,675.01 lakhs) is secured by way of equitable mortgage of immovable properties situated at New Delhi, owned by the Company. The outstanding amount (excluding current maturities) is repayable in 4 quarterly installments starting from June 2019.
- (b) Term loan of ₹ 3,327.11 lakhs (31 March 2017: ₹ 14,534.70 lakhs) is secured by way of equitable mortgage of immovable properties situated at Gurugram and Chennai, owned by some of the subsidiary companies. Further, there is charge on receivables pertaining to the aforesaid immovable properties owned by some of the subsidiary companies. The outstanding amount (excluding current maturities) is repayable in 5 monthly installments starting from April 2019.
- (c) Term loans of ₹ 24,970.24 lakhs (31 March 2017: ₹ 27,110.90 lakhs) are secured by way of equitable mortgage of immovable properties situated at New Delhi, owned by the Company. Further, there is charge on receivables pertaining to the aforesaid immovable properties owned by the Company on these loans. The outstanding amount (excluding current maturities) are repayable in 72 monthly installments starting from April 2019.
- (d) Term loan of ₹ 12,850.56 lakhs (31 March 2017: ₹ Nil) is secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company. The outstanding amount (excluding current maturities) is repayable in 88 monthly installments starting from April 2019.
- (e) Term loan of ₹ Nil (31 March 2017: ₹ 5,953.94 lakhs) was secured by way of equitable mortgage of immovable properties situated at Kolkata, owned by the Company. The said loan has been pre-paid during the year.
- (f) Term loan of ₹ Nil (31 March 2017: ₹ 43,241.84 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Kolkata, Lucknow, Mullanpur and New Delhi, owned by the Company and some of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and some of the subsidiary companies. The said loan has been pre-paid during the year.
- (g) Term loan of ₹ Nil (31 March 2017: ₹ 8,616.44 lakhs) was secured by way of equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies. The said loan has been pre-paid during the year.
- (h) Term loan of ₹ 12,286.53 lakhs (31 March 2017: ₹ 33,550.41 lakhs) is secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company and some of its subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company. The outstanding amount (excluding current maturities) is repayable in 10 monthly installments starting from September 2019.
- (i) Term loan of ₹ 29,872.39 lakhs (31 March 2017: ₹ 49,359.22 lakhs) is secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company and some of its subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company. The outstanding amount (excluding current maturities) is repayable in 18 monthly installments starting from April 2019.
- (j) Term loan of ₹ Nil (31 March 2017: ₹ 42,180.53 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company and some of its subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company. The said loan has been repaid during the year.
- (k) Term loans of ₹ 47,773.85 lakhs (31 March 2017: ₹ 48,225.49 lakhs) are secured by way of (i) equitable mortgage of immovable property situated at New Delhi, owned by the one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable property owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) is repayable in 120 monthly installments starting from April 2019.
- (l) Term loan of ₹ 2,852.08 lakhs (31 March 2017: ₹ 8,925.14 lakhs) is secured by way of (i) equitable mortgage of immovable properties situated at New Delhi, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) is repayable in 2 quarterly instalments starting from May 2019.

- (m) Term loan of ₹ Nil (31 March 2017: ₹ 7,979.15 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies, (ii) Charge on current assets, fixed and movable fixed assets of the power division of one of the subsidiary companies and (iii) Charge on current assets of the services division of one of the subsidiary companies. The said loan has been pre-paid during the year.
- (n) Term loan of ₹ Nil (31 March 2017: ₹ 37,592.50 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies, (ii) Charge on current assets, fixed and movable fixed assets of the power division of one of the subsidiary companies and (iii) Charge on current assets of the services division of one of the subsidiary companies. The said loan has been pre-paid during the year.
- (o) Term loan of ₹ Nil (31 March 2017: ₹ 67,480.30 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at New Delhi and Gurugram, owned by Company and some of the subsidiary companies and (ii) Charge on current assets of the one of the subsidiary companies. The said loan has been pre-paid during the year.

**e) Term loans from others are secured by way of:**

- (a) Term loans of ₹ 29,890.71 lakhs (31 March 2017: ₹ 35,185.21 lakhs) are secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies, (ii) Negative lien on rights under the concession agreements pertaining to certain immovable properties situated at New Delhi and (iii) Charge on receivables pertaining to all the aforesaid immovable properties owned by the Company and one of the subsidiary companies. The outstanding amount (excluding current maturities) are repayable in 49 monthly installments starting from April 2019.
- (b) Term loan of ₹ Nil (31 March 2017: ₹ 2,500.00 lakhs) was secured by way of equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies. The said loans has been pre-paid during the year.
- (c) Term loan of ₹ Nil (31 March 2017: ₹ 16,981.48 lakhs) was secured by way of equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies. The said loan has been pre-paid subsequently in May 2018.
- (d) Term loan of ₹ Nil (31 March 2017: ₹ 12,475.45 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, Hyderabad and Chennai, owned by Company and some of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable property at Gurugram, owned by the Company. The said loans has been pre-paid during the year.
- (e) Term loan of ₹ Nil (31 March 2017: ₹ 17,163.29 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Kolkata, owned by the Company and (ii) Charge on receivables of the aforesaid immovable property owned by the Company. The said loan has been pre-paid during the year.
- (f) Term loan of ₹ Nil (31 March 2017: ₹ 7,411.61 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at New Delhi, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables of the aforesaid immovable property owned by the Company and one of the subsidiary companies. The said loan has been pre-paid during the year.
- (g) Term loan of ₹ Nil (31 March 2017: ₹ 8,902.89 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Kolkata, Lucknow, Mullanpur and New Delhi, owned by the Company and some of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and some of the subsidiary companies. The said loan has been pre-paid during the year.
- (h) Term loans of ₹ 87,050.97 lakhs (31 March 2017: ₹ 91,511.73 lakhs) are secured by way of (i) Equitable mortgage of immovable properties situated at Noida, owned by the Company and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company. The outstanding amount (excluding current maturities) is repayable in 50 monthly installments starting from April 2019.
- (i) Term loan of ₹ 28,435.91 lakhs (31 March 2017: ₹ Nil), are secured by way of (i) Equitable mortgage of immovable properties situated at Noida, owned by the Company and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company. The outstanding amount (excluding current maturities) is repayable in 50 monthly installments starting from April 2019.
- (j) Term loans of ₹ 33,844.53 lakhs (31 March 2017: ₹ 22,098.73 lakhs), are secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies, (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and one of the subsidiary companies and (iii) Negative lien on rights under the concession agreements pertaining to certain immovable properties of the Company situated at New Delhi. The outstanding amount (excluding current maturities) are repayable in 54 monthly installments starting from April 2019.
- (k) Term loans of ₹ Nil (31 March 2017: ₹ 816.71 lakhs), were secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company, (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company, (iii) Negative lien on rights under the concession agreements pertaining to certain immovable properties of the Company and (iv) Negative lien on rights under the concession agreements pertaining to certain immovable properties of the Company situated at New Delhi. The said loan has been paid subsequently in April 2018.

## Notes to Consolidated Financial Statements (Contd.)

### Unsecured Borrowings:

**f) Unlisted, Unsecured, Redeemable, Non-convertible Debentures of ₹ 10,00,00,000 each referred above to the extent of:**

Non-convertible debentures of ₹ 99,189.27 lakhs (31 March 2017: ₹ Nil) are unsecured. Coupon rate of these debentures is 9.20% p.a. payable quarterly and the outstanding amount is due for redemption beginning 21 November 2019 and put call option are exercisable from 21 May 2019 to 21 August 2019.

**g) Unsecured Loan from related parties - refer note 44 (a)(ii):**

Unsecured loan from related parties of ₹ 13,338.48 lakhs are repayable at any time after 30 April 2021- 31 March 2022. The loans carry interest @ 11.50% per annum.

**h) Vehicle loan**

Term loan of ₹ 284.50 lakhs (31 March 2017: ₹ 39.52 lakhs) is secured by way of charges on vehicle owned by one of the subsidiary companies against which such loan is obtained. The outstanding amount (excluding current maturities) is repayable in 72 monthly unequal instalments starting from April 2019.

**2. Repayment terms and security disclosure for the outstanding long-term borrowings of DCCDL Group (excluding current maturities) accounted for as Joint Venture in accordance with Ind AS 28 as on 31 March 2018 - refer note 44 (a)(ii):**

**a) Secured debentures - listed, redeemable, non-convertible debentures of ₹ 10,00,00,000 each referred above to the extent of:**

(i) Non-convertible debentures of ₹ Nil (31 March 2017: ₹ 51,193.77 lakhs) were secured by way of pari-passu charge on the immovable property situated at New Delhi, Coupon rate of these debentures is 10.90%. The final redemption date was 21 November 2021 and date of redemption (based on early redemption date) is latest by 21 November 2019. Pledge over the shareholding of the issuer company along with charge over debt service reserve account in favour of debenture trustee.

(ii) Non-convertible debentures of ₹ Nil (31 March 2017: ₹ 36,559.31 lakhs) were secured by way of pari-passu charge on the immovable property situated at New Delhi, Coupon rate of these debentures is 10.90%. The final redemption date was 11 December 2021 and date of redemption (based on early redemption date) was latest by 11 December 2019. Pledge over the shareholding of the issuer company along with charge over debt service reserve account in favour of debenture trustee.

**b) Term loans from banks are secured by way of:**

(a) Term loan of ₹ Nil (31 March 2017: ₹ 75,878.18 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 131 monthly instalments starting from April 2018.

(b) Term loan of ₹ Nil (31 March 2017: ₹ 100,285.38 lakhs) were secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) were repayable in 96 monthly instalments starting from April 2018.

(c) Term loan of ₹ Nil (31 March 2017: ₹ 104,179.74 lakhs) were secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and one of the subsidiary companies. The outstanding amount (excluding current maturities) were repayable in 127 monthly instalments starting from April 2018.

(d) Term loan of ₹ Nil (31 March 2017: ₹ 152,223.26 lakhs) were secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) were repayable in 132 monthly instalments starting from April 2018.

(e) Term loan of ₹ Nil (31 March 2017: ₹ 12,029.89 lakhs) was secured by way of equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 9 monthly instalments starting from April 2018.

(f) Term loan of ₹ Nil (31 March 2017: ₹ 19,290.45 lakhs) were secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) were repayable in bullet payments in October 2021.

(g) Term loan of ₹ Nil (31 March 2017: ₹ 39,076.19 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Chennai, owned by some of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 132 monthly instalments starting from April 2018.

(h) Term loan of ₹ Nil (31 March 2017: ₹ 9,229.38 lakhs) were secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by Company and one of the subsidiary companies and (ii) Charge on receivables

pertaining to Tower no.A constructed/ developed on the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) were repayable in 52 monthly instalments starting from April 2018.

- (i) Term loan of ₹ Nil (31 March 2017: ₹ 36,783.89 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by Company and one of the subsidiary companies, (ii) Charge on receivables pertaining to Tower no. A and B constructed/ developed on the aforesaid immovable properties owned by one of the subsidiary companies and (iii) Negative lien on immovable property situated at Gurugram, owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 116 monthly instalments starting from April 2018.
- (j) Term loan of ₹ Nil (31 March 2017: ₹ 8,102.33 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by Company and one of the subsidiary companies, (ii) Charge on receivables pertaining to Tower no. A and B constructed/ developed on the aforesaid immovable properties owned by one of the subsidiary companies and (iii) Negative lien on immovable property situated at Gurugram, owned by group company. The outstanding amount (excluding current maturities) was repayable in 76 monthly instalments starting from April 2018.
- (k) Term loan of ₹ Nil (31 March 2017: ₹ 34,229.18 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Kolkata, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 132 monthly instalments starting from April 2018.
- (l) Term loan of ₹ Nil (31 March 2017: ₹ 23,125.28 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Chandigarh, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 132 monthly instalments starting from April 2018.
- (m) Term loan of ₹ Nil (31 March 2017: ₹ 47,078.12 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies, (ii) Charge on current assets, fixed and movable fixed assets of the power division of one of the subsidiary companies and (iii) Charge on current assets of the services division of one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 11 monthly instalments starting from June 2018.
- (n) Term loan of ₹ Nil (31 March 2017: ₹ 43,260.51 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at New Delhi, owned by the Company, (ii) Charge on current assets, fixed and movable fixed assets of the power division of one of the subsidiary companies and (iii) Charge on current assets of the services division of one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 10 monthly instalments starting from April 2018.

**c) Term loans from others are secured by way of:**

- (a) Term loan of ₹ Nil (31 March 2017: ₹ 4,836.37 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 127 monthly instalments starting from April 2018.
- (b) Term loan of ₹ Nil (31 March 2017: ₹ 112,206.00 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 58 monthly instalments starting from April 2018.
- (c) Term loan of ₹ Nil (31 March 2017: ₹ 22,573.18 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 70 monthly instalments starting from April 2018.
- (d) Term loan of ₹ Nil (31 March 2017: ₹ 507,667.67 lakhs) was secured by way of (i) equitable mortgage of immovable properties situated at Gurugram, Hyderabad and Chennai, owned by some of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by one of the subsidiary companies. The outstanding amount (excluding current maturities) was repayable in 132 monthly instalments starting from April 2018.

**Rate of interest:**

The Group's / jointly controlled entities total borrowings from banks and others have a effective weighted-average contractual rate of 8.93% (31 March 2017: 9.71%) per annum calculated using the interest rate effective as on 31 March 2018.

**Loan Covenants:**

Term loans contain certain debt covenants relating to net debt to tangible net worth ratio, debt-equity ratio, minimum tangible net worth and asset coverage ratio. The Company has satisfied all debt covenants prescribed in the terms of term loan.

The Company has not defaulted on any loans payable.



Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>23. TRADE PAYABLES*</b>  |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Non-current            |                        | Current                |                        |
|   | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| Due to micro, small and medium enterprises (refer note 54)                          | -                      | -                      | 545.55                 | 165.07                 |
| Amount payable for land cost  | -                      | 79,747.17              | -                      | -                      |
| Amount payable to contractors/ suppliers/ others                                    | 79,637.27              | 2,404.93               | 126,413.41             | 140,560.19             |
|   | 79,637.27              | 82,152.10              | 126,958.96             | 140,725.26             |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | -                      | -                      | (5,206.22)             | -                      |
|   | 79,637.27              | 82,152.10              | 121,752.74             | 140,725.26             |

\* Trade payables are non-interest bearing and are normally settled 90-120 days terms.

(₹ in lakhs)

| <b>24. OTHER FINANCIAL LIABILITIES*</b>   |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Non-current            |                        | Current                |                        |
|   | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| Current maturities of non-current borrowings  | -                      | -                      | 244,382.04             | 253,889.66             |
| Interest accrued on borrowings  | -                      | -                      | 85,526.62              | 11,733.97              |
| Book overdraft  | -                      | -                      | 1,128.79               | 351.81                 |
| Security deposits received  | 47,680.56              | 106,042.53             | 17,919.91              | 47,407.33              |
| Registration charges received   | -                      | -                      | 1,893.13               | 2,280.03               |
| Payable to bank on subvention scheme  | -                      | -                      | 28,934.45              | 39,284.75              |
| Other liabilities   | -                      | -                      | 7,016.83               | 15,334.35              |
|   | 47,680.56              | 106,042.53             | 386,801.77             | 370,281.90             |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | -                      | -                      | (282.00)               | -                      |
|   | 47,680.56              | 106,042.53             | 386,519.77             | 370,281.90             |

\* Carrying amount of these financial liabilities are reasonable approximation of their fair values.

(₹ in lakhs)

| <b>25. PROVISIONS*</b>          |                        |                        |                        |                        |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                 | Non-current            |                        | Current                |                        |
|                                 | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| Provision for employee benefits | 4,059.87               | 5,221.40               | 2,516.43               | 3,560.92               |
| Provision for tax on dividend   | -                      | -                      | 0.68                   | -                      |
|                                 | 4,059.87               | 5,221.40               | 2,517.11               | 3,560.92               |

\* For details on employee benefits refer note 43.

(₹ in lakhs)

| <b>26. OTHER CURRENT LIABILITIES</b>  |                        |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Non-current            |                        | Current                |                        |
|   | As At<br>31 March 2018 | As At<br>31 March 2017 | As At<br>31 March 2018 | As At<br>31 March 2017 |
| Income received in advance  | -                      | -                      | 11,921.65              | 8,945.10               |
| Realisation under agreement to sell   | -                      | -                      | 264,164.81             | 431,208.64             |
| Statutory dues  | -                      | -                      | 10,234.33              | 19,290.86              |
| Deferred income#  | 10,443.07              | 45,228.62              | 2,083.18               | 13,701.07              |
| Unpaid dividends*   | -                      | -                      | 367.38                 | 298.30                 |
| Other liabilities   | 4,386.09               | 7,814.83               | 21,009.47              | 21,264.04              |
|   | <b>14,829.16</b>       | <b>53,043.45</b>       | <b>309,780.82</b>      | <b>494,708.01</b>      |
| Less: Assets included in disposal group classified as held for sale (refer note 60) | -                      | -                      | (172.22)               | -                      |
|   | <b>14,829.16</b>       | <b>53,043.45</b>       | <b>309,608.60</b>      | <b>494,708.01</b>      |

\* Not due for credit to "Investor Education and Protection Fund".

# The deferred revenue relates to difference of present value of security deposits received and actual amount received and is released to the statement of profit and loss on straight line basis over the tenure of lease.

(₹ in lakhs)

| <b>27. SHORT-TERM BORROWINGS</b> |                        |                        |
|----------------------------------|------------------------|------------------------|
|                                  | As At<br>31 March 2018 | As At<br>31 March 2017 |
| <b>Secured</b>                   |                        |                        |
| Overdraft facility               |                        |                        |
| From banks                       | -                      | 35,400.68              |
| Short-term loans                 |                        |                        |
| From banks                       | 93,345.72              | 204,874.69             |
| From others                      | -                      | 100,000.00             |
| <b>Unsecured</b>                 |                        |                        |
| Short-term loans                 |                        |                        |
| From others                      | -                      | 526.56                 |
| Loans from related parties       | 786,322.47             | -                      |
| Loans from body corporates       | 1,135.95               | -                      |
|                                  | <b>880,804.14</b>      | <b>340,801.93</b>      |

**1. Security disclosure for the outstanding short-term borrowings as on 31 March 2018:**

**a) Overdraft facility from Banks:**

- Overdraft facilities of ₹ Nil (31 March 2017: ₹ 30,421.19 lakhs) are secured by way of equitable mortgage of immovable properties situated at Gurugram, owned by one of the subsidiary companies.
- Overdraft facility of ₹ Nil (31 March 2017: ₹ 4,979.49 lakhs) is secured by way of equitable mortgage of Property situated at New Delhi, owned by the Company.

**b) Short-term loans from Banks:**

- Term loan of ₹ 31,000.00 lakhs (31 March 2017: ₹ Nil) is secured by way of equitable mortgage of Properties situated at Gurugram, owned by one of the subsidiary companies.
- Term loan of ₹ 35,000.00 lakhs (31 March 2017: ₹ 35,000.00 lakhs) is secured by way of equitable mortgage of Properties situated at Gurugram, owned by the Company and some of the subsidiary companies.

## Notes to Consolidated Financial Statements (Contd.)

- (c) Term loan of ₹ 19,700.00 lakhs (31 March 2017: ₹ 19,700.00 lakhs) is secured by way of (i) Equitable mortgage of immovable property situated at New Delhi, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable property owned by one of the subsidiary companies.
- (d) Term loan of ₹ 7,645.72 lakhs (31 March 2017: ₹ 27,174.69 lakhs) is secured by way of equitable mortgage of immovable property situated at New Delhi, owned by one of the subsidiary companies.
- (e) Term loan of ₹ Nil (31 March 2017: ₹ 69,500.00 lakhs) were secured by way of equitable mortgage of Properties situated at Gurugram, owned by one of the subsidiary companies. The said loan has been pre-paid during the year.
- (f) Term loan of ₹ Nil (31 March 2017: ₹ 16,000.00 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and one of the subsidiary companies. The said loan has been pre-paid during the year.
- (g) Term loan of ₹ Nil (31 March 2017: ₹ 7,500.00 lakhs) was secured by way of (i) Equitable mortgage of immovable property situated at Gurugram, owned by the Company and (ii) Charge on receivables and other current assets of the aforesaid immovable property owned by the Company. The said loan has been pre-paid during the year.

### c) Short-term loans from others:

Term loan of ₹ Nil (31 March 2017: ₹ 100,000.00 lakhs) was secured by way of (i) Equitable mortgage of immovable properties situated at Gurugram, owned by the Company and one of the subsidiary companies and (ii) Charge on receivables pertaining to the aforesaid immovable properties owned by the Company and one of the subsidiary companies. The said loan has been pre-paid during the year.

### d) Unsecured Loan from related parties and others - refer note 44 (a)(ii):

Unsecured loan of ₹ 787,458.42 lakhs (31 March 2017: ₹ Nil) is repayable as demanded by the lender.

## 2. Security disclosure for the outstanding short-term borrowings of DCCDL Group accounted for as Joint Venture in accordance with Ind AS 28 as on 31 March 2018 - refer note 44 (a)(ii):

### Short-term loans from Banks:

Term loan of ₹ Nil (31 March 2017: ₹ 30,000.00 lakhs) is secured by way of equitable mortgage of immovable properties situated at Gurugram, owned by the one of the subsidiary companies.

(₹ in lakhs)

| <b>28. CURRENT TAX LIABILITIES (NET)</b>    |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Provision for taxation (net of advance tax) | 1,719.83                       | 3,687.86                       |
|   | <b>1,719.83</b>                | <b>3,687.86</b>                |

(₹ in lakhs)

| <b>29. REVENUE FROM OPERATIONS</b>   |                                |                                |
|--|--------------------------------|--------------------------------|
|  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| <b>Operating revenue</b>   |                                |                                |
| Revenue from sale of land, plots and constructed properties (including sale of development rights) | 290,814.73                     | 366,729.98                     |
| Rental income  | 224,007.24                     | 266,693.19                     |
| Revenue from services, maintenance and power generation  | 126,101.52                     | 159,374.45                     |
| Revenue from hotel, food court and recreational facility business                                  | 28,248.06                      | 24,728.09                      |
| Revenue from cinema operations   | -                              | 3,349.73                       |
|  | <b>669,171.55</b>              | <b>820,875.44</b>              |
| <b>Other operating revenue</b>   |                                |                                |
| Sale of construction material  | -                              | 466.66                         |
| Sale of Gas  | 174.04                         | -                              |
| Finder Fees  | 644.74                         | -                              |
| Amount forfeited on properties   | 688.57                         | 780.89                         |
|  | <b>1,507.35</b>                | <b>1,247.55</b>                |
|  | <b>670,678.90</b>              | <b>822,122.99</b>              |

(₹ in lakhs)

| <b>30. OTHER INCOME</b>   |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| <b>Income from non-current investments</b>  |                                |                                |
| Profit on sale of shares/ investments   | 233.02                         | 1,263.28                       |
|   | <b>233.02</b>                  | <b>1,263.28</b>                |
| <b>Income from current investments</b>  |                                |                                |
| Dividend received   | 1,885.47                       | 19.11                          |
|   | <b>1,885.47</b>                | <b>19.11</b>                   |
| <b>Interest from:</b>   |                                |                                |
| Bank deposits   | 11,716.53                      | 16,399.72                      |
| Customers   | 2,539.90                       | 2,019.09                       |
| Loans and deposits  | 18,814.00                      | 20,054.99                      |
| Income tax refunds  | 9,388.43                       | 2,579.92                       |
| Debentures  | 3,927.78                       | 3,215.15                       |
| Other financial assets carried at amortised cost                                      | 7,593.01                       | 4,011.23                       |
| Others  | 7,831.88                       | 1,169.95                       |
|   | <b>61,811.53</b>               | <b>49,450.05</b>               |
| <b>Other income</b>   |                                |                                |
| Profit on disposal of property, plant and equipment                                   | 1,989.52                       | 7.33                           |
| Unclaimed balances and excess provisions written back                                 | 1,010.79                       | 2,477.08                       |
| Gain on foreign currency transactions (net)   | 8.05                           | -                              |
| Gain on fair valuation of existing stake in equity accounted investee (refer note 44) | -                              | 8,380.07                       |
| Provision for expected credit loss written back                                       | 19,125.93                      | -                              |
| Gain on fair valuation of financial assets (net)                                      | 2,041.69                       | 5,025.60                       |
| Miscellaneous income  | 7,586.17                       | 5,305.43                       |
|   | <b>31,762.15</b>               | <b>21,195.51</b>               |
|   | <b>95,692.17</b>               | <b>71,927.95</b>               |

(₹ in lakhs)

| <b>31. COST OF LAND, PLOTS, DEVELOPMENT RIGHTS, CONSTRUCTED PROPERTIES AND OTHERS</b>    |                                |                                |
|--|--------------------------------|--------------------------------|
|  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Cost of land, plots, development and construction (including cost of development rights) | 222,623.05                     | 232,855.64                     |
| Cost of service, maintenance and power generation  | 79,030.84                      | 103,505.14                     |
| Foods, beverages and facility management expenses  | 9,879.93                       | 8,750.39                       |
| Cost of cinema operations  | -                              | 1,466.60                       |
|  | <b>311,533.82</b>              | <b>346,577.77</b>              |

(₹ in lakhs)

| <b>32. EMPLOYEE BENEFIT EXPENSE*</b>      |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Salaries, wages and bonus                 | 31,084.88                      | 29,882.69                      |
| Contribution to provident and other funds | 1,129.04                       | 1,468.94                       |
| Employee Stock Option Scheme              | 177.57                         | 200.24                         |
| Gratuity [refer note 43(b)]               | 494.46                         | 202.30                         |
| Staff welfare                             | 1,473.02                       | 1,078.07                       |
|   | <b>34,358.97</b>               | <b>32,832.24</b>               |

\* net of capitalisation

\*\* For descriptive notes on disclosure of defined benefit obligation refer note 43.

## Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>33. FINANCE COSTS</b>                              |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| <b>Interest on</b>                                    |                                |                                |
| Debentures  | 23,499.67                      | 29,535.63                      |
| Term loans  | 193,545.44                     | 197,445.14                     |
| Others  | 60,614.83                      | 72,610.03                      |
| Other financial liabilities carried at amortised cost | 13,999.06                      | 14,079.20                      |
| Guarantee, finance and bank charges                   | 15,633.04                      | 13,639.17                      |
|   | <b>307,292.04</b>              | <b>327,309.17</b>              |
| Less: Transfer to construction work-in-progress*      | 6,730.16                       | 14,781.49                      |
| Less: Transfer to capital work-in-progress*           | 5,491.29                       | 14,545.81                      |
|   | <b>295,070.59</b>              | <b>297,981.87</b>              |

\* Weighted-average cost of capitalisation rate for the year ended 31 March 2018: 10.15% (31 March 2017: 9.61%).

(₹ in lakhs)

| <b>34. DEPRECIATION AND AMORTISATION EXPENSE</b> |                                |                                |
|--|--------------------------------|--------------------------------|
|  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| <b>Depreciation on</b>                           |                                |                                |
| Property, plant and equipment                    | 19,749.25                      | 16,974.37                      |
| Investment property                              | 33,104.04                      | 39,958.02                      |
| <b>Amortisation on</b>                           |                                |                                |
| Intangible assets                                | 544.38                         | 523.01                         |
|  | <b>53,397.67</b>               | <b>57,455.40</b>               |
| Less: amount capitalised during the year         | 44.67                          | 206.37                         |
|  | <b>53,353.00</b>               | <b>57,249.03</b>               |

(₹ in lakhs)

| <b>35. OTHER EXPENSES</b>   |                                |                                |
|---|--------------------------------|--------------------------------|
|   | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Rent  | 5,416.57                       | 7,180.07                       |
| Rates and taxes   | 5,733.60                       | 11,974.08                      |
| Power, fuel and electricity   | 3,326.99                       | 5,167.72                       |
| Repair and maintenance  |                                |                                |
| Building  | 1,224.47                       | 1,146.49                       |
| Constructed properties/ colonies  | 2,075.51                       | 480.71                         |
| Machinery   | 1,797.61                       | 1,858.70                       |
| Others  | 7,446.61                       | 3,586.12                       |
| Insurance   | 683.55                         | 554.06                         |
| Commission and brokerage  | 6,593.06                       | 7,395.60                       |
| Advertisement and publicity   | 6,757.43                       | 7,528.17                       |
| Traveling and conveyance  | 2,165.74                       | 1,709.76                       |
| Aircraft and helicopter running and maintenance   | 596.86                         | 1,347.70                       |
| Vehicles running and maintenance  | 212.44                         | 276.24                         |
| Printing and stationery   | 510.48                         | 577.55                         |
| Directors' fee  | 529.12                         | 533.22                         |
| Communication   | 511.80                         | 755.92                         |
| Legal and professional (including payment to auditors)                                  | 16,802.11                      | 15,927.99                      |
| Charity and donations*  | 7,170.10                       | 10,397.58                      |
| Claims and compensation   | 66.56                          | 360.29                         |
| Loss on disposal of property, plant and equipment                                       | 69.45                          | 496.42                         |
| Loss on sale of investments   | -                              | 810.91                         |
| Amounts/ assets written off   | 1,092.52                       | 149.67                         |
| Impairment of non-financial assets  | 5,737.28                       | 10,254.09                      |
| Provision for diminution in value of investment (other than temporary)                  | 216.12                         | -                              |
| Loss on foreign currency transactions (net)   | 2.79                           | 27.47                          |
| Amortisation of forward element of forward contracts on transition date (refer note 41) | 1,604.38                       | 1,762.00                       |
| Security expenses   | 1,102.85                       | 1,097.84                       |
| Miscellaneous expenses  | 7,596.19                       | 6,027.47                       |
|   | <b>87,042.19</b>               | <b>99,383.84</b>               |

\*includes corporate social responsibility expenses

(₹ in lakhs)

| <b>36. TAX EXPENSE</b>   |                                |                                |
|--|--------------------------------|--------------------------------|
|  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
| Current tax (including earlier years)                              | 58,042.07                      | 48,657.46                      |
| Minimum alternate tax credit entitlement (including earlier years) | (31,323.79)                    | (28,300.33)                    |
| Deferred tax charge  | 405,586.69                     | 2,569.38                       |
| Income tax expense reported in the statement of profit and loss    | 432,304.97                     | 22,926.51                      |

### **37. EARNINGS PER EQUITY SHARE**

Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Holding Company. Basic earnings per share is computed using the weighted-average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted-average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

(₹ in lakhs)

|  | <b>As At<br/>31 March 2018</b> | <b>As At<br/>31 March 2017</b> |
|--|--------------------------------|--------------------------------|
| <b>Net profit attributable to equity shareholders</b>  |                                |                                |
| Profit after tax   | 446,386.39                     | 69,418.18                      |
| <b>Profit attributable to equity holders of the parent adjusted for the effect of dilution</b> | 446,386.39                     | 69,418.18                      |
| Nominal value of equity share (₹ )   | 2.00                           | 2.00                           |
| Total number of equity shares outstanding at the beginning of the year                         | 1,784,003,090                  | 1,783,716,082                  |
| Total number of equity shares outstanding at the end of the year                               | 1,784,067,028                  | 1,784,003,090                  |
| Weighted-average number of equity shares for basic EPS   | 1,784,047,170                  | 1,783,902,576                  |
| <b>Earnings per equity share</b>   |                                |                                |
| Basic EPS (₹ )   | 25.02                          | 3.89                           |
| Nominal value of equity share (₹ )   | 2.00                           | 2.00                           |
| Weighted-average number of equity shares used to compute diluted earnings per share*           | 1,890,008,529                  | 1,784,472,390                  |
| Diluted EPS (₹ )   | 23.62                          | 3.89                           |
| * Weighted-average number of Equity shares for basic EPS                                       | 1,784,047,170                  | 1,783,902,576                  |
| Effect of dilution:  |                                |                                |
| Share options  | 407,817                        | 569,814                        |
| Compulsorily convertible debentures  | 96,757,413                     | -                              |
| Warrants   | 8,796,129                      | -                              |
| * Weighted-average number of Equity shares adjusted for the effect of dilution.                | 1,890,008,529                  | 1,784,472,390                  |

### **38. FINANCIAL INSTRUMENTS BY CATEGORY**

#### **i) Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the consolidated financial statements and 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:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

**Level 3:** unobservable inputs for the asset or liability.

#### **ii) Financial assets measured at fair value - recurring fair value measurements**

(₹ in lakhs)

| <b>31 March 2018</b>                | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
|-------------------------------------|----------------|----------------|----------------|--------------|
| <b>Financial assets</b>             |                |                |                |              |
| <b>Investments at FVTPL</b>         |                |                |                |              |
| Mutual funds                        | 96,571.97      | -              | 12,270.99      | 108,842.96   |
| Compulsorily convertible debentures | -              | -              | 54,554.75      | 54,554.75    |
| Optionally convertible debentures   | -              | -              | 50,814.60      | 50,814.60    |
| <b>Forward contract FVTPL</b>       |                |                |                |              |
| Derivative asset                    | -              | 4,514.69       | -              | 4,514.69     |
| <b>Investments at FVOCI</b>         |                |                |                |              |
| Equity investments                  | 834.86         | -              | 1,363.87       | 2,198.73     |
| <b>Total financial assets</b>       | 97,406.84      | 4,514.69       | 119,004.21     | 220,925.74   |

## Notes to Consolidated Financial Statements (Contd.)

### Financial assets measured at fair value - recurring fair value measurements

(₹ in lakhs)

| 31 March 2017                       | Level 1         | Level 2         | Level 3          | Total            |
|-------------------------------------|-----------------|-----------------|------------------|------------------|
| <b>Financial assets</b>             |                 |                 |                  |                  |
| <b>Investments at FVTPL</b>         |                 |                 |                  |                  |
| Equity investments                  | 354.36          | -               | -                | 354.36           |
| Mutual funds                        | 402.59          | -               | 12,884.07        | 13,286.66        |
| Compulsorily convertible debentures | -               | -               | 45,401.80        | 45,401.80        |
| Optionally convertible debentures   | -               | -               | 15,058.60        | 15,058.60        |
| <b>Investments at FVOCI</b>         |                 |                 |                  |                  |
| Equity investments                  | 996.34          | -               | 1,612.93         | 2,609.27         |
| <b>Forward contract at FVTPL</b>    |                 |                 |                  |                  |
| Derivative asset                    | -               | 5,168.00        | -                | 5,168.00         |
| <b>Total financial assets</b>       | <b>1,753.29</b> | <b>5,168.00</b> | <b>74,957.40</b> | <b>81,878.69</b> |

### iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of net asset value for mutual funds on the basis of the statement received from investee party and for listed funds, traded price on recognised stock exchange.
  - For listed equity shares, traded price on recognised stock exchange. For other equity shares - use of adjusted discounted cash flow method (income approach) for certain equity investments and adjusted net asset value method for remaining equity investments.
  - The use of discounted cash flow method (income approach) for compulsorily convertible debentures and optionally convertible debentures.
  - For hedge related effectiveness review and related valuation, details are presented in note 41.
- iv) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted.

(₹ in lakhs)

| Particulars  | Fair value as at |               | Significant unobservable inputs             | Probability-weighted range |  | Sensitivity <sup>^</sup>   |  |
|--|------------------|---------------|---|----------------------------|--|--|--|
|  | 31 March 2018    | 31 March 2017 |   | 31 March 2018              | 31 March 2017  | 1% increase in inputs <sup>^</sup>                                   | 1% decrease in inputs <sup>^</sup>                                   |
| Mutual funds - Faering Capital India Evolving Fund     | 9267.36          | 8,467.75      | Illiquidity factor<br>Market money multiple | 11.30%-16.50%              | 15.00%   | 31 March 2018 - ₹ (10.21) lakhs<br>31 March 2017 - ₹ (5.77) lakhs    | 31 March 2018 - ₹ 10.21 lakhs<br>31 March 2017 - ₹ 6.71 lakhs        |
|  |                  |               |   | 0.93x-3.20x                | 1.23-4.57  |  |  |
| Mutual funds - Urban Infrastructure Opportunities Fund | 3,003.63         | 4,416.32      | NAV per unit*                               |                            | 31 March 2018 - ₹ 30.04 lakhs<br>31 March 2017 - ₹ 44.17 lakhs | 31 March 2018 - ₹ (30.04) lakhs<br>31 March 2017 - ₹ (44.17) lakhs   |  |
| Compulsorily convertible debentures                    | -                | 811.47        | Discount rate                               | -                          | 21.17%   | 31 March 2018 - ₹ Nil<br>31 March 2017 - ₹ 37.46 lakhs               | 31 March 2018 - ₹ Nil<br>31 March 2017 - ₹ (37.46) lakhs             |
|  | 54,554.75        | 44,590.33     | Illiquidity factor                          | 25.00%                     | 20.00%   | 31 March 2018 - ₹ (130.13) lakhs<br>31 March 2017 - ₹ 498.71 lakhs   | 31 March 2018 - ₹ 127.62 lakhs<br>31 March 2017 - ₹ (498.71) lakhs   |
|  |                  |               |   | 14.50%                     | 15.00%   | 31 March 2018 - ₹ 2,627.62 lakhs<br>31 March 2017 - ₹ 126.25 lakhs   | 31 March 2018 - ₹ 2,861.19 lakhs<br>31 March 2017 - ₹ (133.32) lakhs |
| Optionally convertible debentures                      | 50,814.60        | 15,058.60     | Discount rate                               | 20.00%                     | 15.00%   | 31 March 2018 - ₹ (2,647.38) lakhs<br>31 March 2017 - ₹ 631.61 lakhs | 31 March 2018 - ₹ 2,860.48 lakhs<br>31 March 2017 - ₹ (648.38) lakhs |

(₹ in lakhs)

| Particulars                                  | Fair value as at |               | Significant unobservable inputs | Probability-weighted range |  | Sensitivity <sup>^</sup>   |  |
|--|------------------|---------------|---------------------------------|----------------------------|--|--|--|
|  | 31 March 2018    | 31 March 2017 |                                 | 31 March 2018              | 31 March 2017  | 1% increase in inputs <sup>^</sup>                               | 1% decrease in inputs <sup>^</sup>                           |
| Unquoted equity shares- Discounted cash flow | 460.00           | 848.80        | Terminal equity rate            | 0.92x                      | 11.66%   | 31 March 2018 - ₹ 17.53 lakhs<br>31 March 2017 - ₹ (33.86 lakhs) | 31 March 2018 ₹ (17.53) lakhs<br>31 March 2017 ₹ 35.02 lakhs |
|  |                  |               | Long-term growth rate           | 1.00%                      | 5.00%  |  |  |
| Unquoted equity shares -NAV method           | 903.87           | 764.13        | NAV per share*                  |                            | 31 March 2018 ₹ 8.97 lakhs<br>31 March 2017 - ₹ 7.59 lakhs | 31 March 2018 ₹ (8.97) lakhs<br>31 March 2017 - ₹ (7.59) lakhs   |  |

\* the Group has considered increase/ decrease in Net Assets Value ('NAV') to arrive at sensitivity analysis.

<sup>^</sup> this represents increase/ decrease in fair values considering changes in inputs.

v) The following table presents the changes in level 3 items for the year ended 31 March 2018 and 31 March 2017:

(₹ in lakhs)

| Particulars   | Equity investments | Mutual funds     | Optionally convertible debentures | Compulsorily convertible debentures |
|---|--------------------|------------------|-----------------------------------|-------------------------------------|
| <b>As at 1 April 2016</b>                               | 1,959.71           | 14,953.97        | 12,805.56                         | 39,742.20                           |
| Gain/ (loss) recognised in statement of profit and loss | -                  | 228.99           | -                                 | 4,796.61                            |
| Interest income   | -                  | -                | 2,253.04                          | 862.98                              |
| Disposal during the year                                | 37.64              | (2,298.88)       | -                                 | -                                   |
| Loss on redemption of mutual fund                       | (384.42)           | -                | -                                 | -                                   |
| <b>As at 31 March 2017</b>                              | <b>1,612.93</b>    | <b>12,884.08</b> | <b>15,058.60</b>                  | <b>45,401.79</b>                    |
| Gain recognised in statement of profit and loss         | -                  | -                | 35,756.01                         | 8,166.60                            |
| Interest income   | -                  | -                | -                                 | 986.35                              |
| Mark to market impact of derivative                     | -                  | 799.61           | -                                 | -                                   |
| Disposal during the year                                | -                  | (1,412.70)       | -                                 | -                                   |
| Loss recognised in other comprehensive income           | (249.06)           | -                | -                                 | -                                   |
| <b>As at 31 March 2018</b>                              | <b>1,363.87</b>    | <b>12,270.99</b> | <b>50,814.61</b>                  | <b>54,554.74</b>                    |

vi) Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

| Particulars                                    | 31 March 2018     |                   | 31 March 2017       |                     |
|--|-------------------|-------------------|---------------------|---------------------|
|  | Carrying value    | Fair value        | Carrying value      | Fair value          |
| <b>Financial assets</b>                        |                   |                   |                     |                     |
| Investments                                    | 130.57            | 130.57            | 132.66              | 132.66              |
| Loans  | 27,951.80         | 27,951.80         | 44,724.35           | 44,770.62           |
| Other financial assets                         | 14,447.89         | 14,447.89         | 30,921.95           | 30,921.95           |
| <b>Total non-current financial assets</b>      | <b>42,530.26</b>  | <b>42,530.26</b>  | <b>75,778.96</b>    | <b>75,825.24</b>    |
| Borrowings*                                    | 623,893.36        | 623,893.36        | 2,325,530.70        | 2,325,530.70        |
| Trade payables                                 | 79,637.27         | 79,637.27         | 82,149.10           | 82,149.10           |
| Other financial liabilities                    | 47,680.56         | 47,680.56         | 104,650.53          | 104,544.94          |
| <b>Total non-current financial liabilities</b> | <b>751,211.19</b> | <b>751,211.19</b> | <b>2,512,330.33</b> | <b>2,512,224.74</b> |

The above disclosures is presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (investments, cash and cash equivalents, other bank balances, trade receivables, current loans, other current financial assets, borrowings, trade payables and other current financial liabilities) represents the best estimate of fair value.

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



## Notes to Consolidated Financial Statements (Contd.)

### 39. FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### i) Financial instruments by category

(₹ in lakhs)

| Particulars                         | 31 March 2018     |                 |                     |                     | 31 March 2017    |                 |                     |                     |
|-------------------------------------|-------------------|-----------------|---------------------|---------------------|------------------|-----------------|---------------------|---------------------|
|                                     | FVTPL**           | FVOCI#          | Amortised cost      | Total               | FVTPL**          | FVOCI#          | Amortised cost      | Total               |
| <b>Financial assets</b>             |                   |                 |                     |                     |                  |                 |                     |                     |
| Investments                         |                   |                 |                     |                     |                  |                 |                     |                     |
| Equity instruments                  | -                 | 2,198.73        | 130.57              | 2,329.30            | 354.36           | 2,254.91        | 132.66              | 2,741.93            |
| Debentures (refer note 8)           | 105,369.35        | -               | -                   | 105,369.35          | 60,460.39        | -               | -                   | 60,460.39           |
| Mutual funds                        | 108,842.96        | -               | -                   | 108,842.96          | 13,286.66        | -               | -                   | 13,286.66           |
| Trade receivables                   | -                 | -               | 128,579.10          | 128,579.10          | -                | -               | 141,735.50          | 141,735.50          |
| Loans (excluding security deposits) | -                 | -               | 144,905.64          | 144,905.64          | -                | -               | 83,894.29           | 83,894.29           |
| Security deposit                    | -                 | -               | 12,842.03           | 12,842.03           | -                | -               | 13,093.82           | 13,093.82           |
| Cash and cash equivalents           | -                 | -               | 135,624.28          | 135,624.28          | -                | -               | 341,259.00          | 341,259.00          |
| Other bank balance                  | -                 | -               | 92,168.80           | 92,168.80           | -                | -               | 68,633.59           | 68,633.59           |
| Derivative assets                   | 4,514.69          | -               | -                   | 4,514.69            | 5,168.00         | -               | -                   | 5,168.00            |
| Other financial assets              | -                 | -               | 234,569.38          | 234,569.38          | -                | -               | 296,243.62          | 296,243.62          |
| <b>Total</b>                        | <b>218,727.00</b> | <b>2,198.73</b> | <b>748,819.80</b>   | <b>969,745.54</b>   | <b>79,269.42</b> | <b>2,254.91</b> | <b>944,992.48</b>   | <b>1,026,516.81</b> |
| <b>Financial liabilities</b>        |                   |                 |                     |                     |                  |                 |                     |                     |
| Borrowings                          | -                 | -               | 1,834,606.16        | 1,834,606.16        | -                | -               | 2,666,332.63        | 2,666,332.63        |
| Trade payable                       | -                 | -               | 201,390.01          | 201,390.01          | -                | -               | 222,877.36          | 222,877.36          |
| Security deposit                    | -                 | -               | 65,600.47           | 65,600.47           | -                | -               | 152,057.86          | 152,057.86          |
| Other financial liabilities         | -                 | -               | 38,691.20           | 38,691.20           | -                | -               | 324,266.57          | 324,266.57          |
| <b>Total</b>                        | <b>-</b>          | <b>-</b>        | <b>2,140,287.84</b> | <b>2,140,287.84</b> | <b>-</b>         | <b>-</b>        | <b>3,365,534.42</b> | <b>3,365,534.42</b> |

\*\* These financial assets are mandatorily measured at fair value.

# These financial assets represents investment in equity instruments designated as such upon initial recognition.

#### ii) Risk Management objectives and policies

The Group's activities expose it to market risk, liquidity risk and credit risk. Board of Directors has overall responsibility for the establishment and oversight of the Group'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 Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying

bank deposits. Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

#### a) Credit risk management

##### i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

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

| Asset group          | Description  | Provision for expenses credit loss*                           |
|----------------------|--|---|
| Low credit risk      | Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets | 12 month expected credit loss/ life time expected credit loss |
| Moderate credit risk | Trade receivables, loans and other financial assets  | 12 month expected credit loss/ life time expected credit loss |
| High credit risk     | Trade receivables, loans and other financial assets  | Life time expected credit loss or fully provided for          |

\* Based on business environment in which the Group 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 are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written-off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

(₹ in lakhs)

| Credit rating       | Particulars  | 31 March 2018 | 31 March 2017 |
|---------------------|--|---------------|---------------|
| A: Low credit risk  | Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets | 748,819.80    | 946,967.34    |
| B: High credit risk | Loans, trade receivables and other financial assets  | 140,501.13    | 97,856.67     |

#### b) Credit risk exposure

##### Provision for expected credit losses

The Group provides for expected credit loss based on 12 months and lifetime expected credit loss basis for following financial assets:

(₹ in lakhs)

| 31 March 2018                       |  |                        |   |
|-------------------------------------|--|------------------------|---|
| Particulars                         | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Investments                         | 130.57                                     | -                      | 130.57                                      |
| Trade receivables                   | 202,585.88                                 | (74,006.78)            | 128,579.10                                  |
| Loans (excluding security deposits) | 163,839.60                                 | (18,933.96)            | 144,905.64                                  |
| Security deposit                    | 19,501.16                                  | (6,659.13)             | 12,842.03                                   |
| Cash and cash equivalents           | 135,624.28                                 | -                      | 135,624.28                                  |
| Other bank balance                  | 92,168.80                                  | -                      | 92,168.80                                   |
| Other financial assets              | 275,470.64                                 | (40,901.26)            | 234,569.38                                  |

## Notes to Consolidated Financial Statements (Contd.)

| 31 March 2017                       |  |                        |   |
|-------------------------------------|--|------------------------|---|
| Particulars                         | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Investments                         | 132.66                                     | -                      | 132.66                                      |
| Trade receivables                   | 169,266.23                                 | (27,530.73)            | 141,735.50                                  |
| Loans (excluding security deposits) | 108,761.79                                 | (24,867.50)            | 83,894.29                                   |
| Security deposit                    | 18,219.82                                  | (5,126.00)             | 13,093.82                                   |
| Cash and cash equivalents           | 341,259.00                                 | -                      | 341,259.00                                  |
| Other bank balance                  | 68,665.99                                  | -                      | 68,665.99                                   |
| Other financial assets              | 336,576.06                                 | (40,332.44)            | 296,243.62                                  |

### Expected credit loss for trade receivables under simplified approach

#### Real estate and other business

The Group's trade receivables from real estate development business does not have any expected credit loss as registry of properties sold is generally carried out once the Group receives the entire payment.

The Group's trade receivables pertaining to income from sale of power has higher credit risk and accordingly allowance for expected credit loss is created using provision matrix approach.

#### Rental business

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

(₹ in lakhs)

| Reconciliation of loss allowance  | Trade receivables | Loans (excluding security deposits) | Security deposits | Other financial assets |
|---|-------------------|-------------------------------------|-------------------|------------------------|
| <b>Loss allowance as at 1 April 2016</b>  | <b>27,050.23</b>  | <b>18,067.69</b>                    | <b>21,293.73</b>  | <b>45,876.28</b>       |
| Allowance for expected credit loss  | 282.50            | 5,532.15                            | -                 | 90.83                  |
| Assets written off/ unclaimed balances and excess provisions written back (net) | 198.00            | 1,267.66                            | (16,167.73)       | (5,634.67)             |
| <b>Loss allowance as at 31 March 2017</b>                                       | <b>27,530.73</b>  | <b>24,867.50</b>                    | <b>5,126.00</b>   | <b>40,332.44</b>       |
| Assets written off/ unclaimed balances and excess provisions written back (net) | 46,476.05         | (5,933.54)                          | 1,533.13          | 568.82                 |
| <b>Loss allowance as at 31 March 2018</b>                                       | <b>74,006.78</b>  | <b>18,933.96</b>                    | <b>6,659.13</b>   | <b>40,901.26</b>       |

## B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

#### Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in lakhs)

| 31 March 2018               | Less than 1 year    | 1-5 years         | More than 5 years | Total               |
|-----------------------------|---------------------|-------------------|-------------------|---------------------|
| Borrowings                  | 1,270,887.76        | 588,651.24        | 151,011.62        | 2,010,550.63        |
| Trade payable               | 121,752.74          | 79,637.27         | -                 | 201,390.01          |
| Security deposits           | 24,317.59           | 39,680.74         | 19,444.70         | 83,443.03           |
| Other financial liabilities | 38,691.20           | -                 | -                 | 38,691.20           |
| <b>Total</b>                | <b>1,455,649.29</b> | <b>707,969.25</b> | <b>170,456.32</b> | <b>2,334,074.87</b> |

| 31 March 2017                   | Less than 1 year    | 1-5 years           | More than 5 years   | Total               |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Non-derivatives</b>          |                     |                     |                     |                     |
| Borrowings (including interest) | 865,434.61          | 1,782,204.96        | 1,680,053.79        | <b>4,327,693.36</b> |
| Trade payable                   | 140,725.26          | 82,152.10           | -                   | <b>222,877.36</b>   |
| Security deposits               | 47,407.33           | 65,276.44           | 76,362.29           | <b>189,046.06</b>   |
| Other financial liabilities     | 57,250.94           | -                   | -                   | <b>57,250.94</b>    |
| <b>Total</b>                    | <b>1,110,818.14</b> | <b>1,929,633.50</b> | <b>1,756,416.08</b> | <b>4,796,867.72</b> |

### C) Market Risk

#### a) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates. The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency.

#### Foreign currency risk exposure:

(₹ in lakhs)

| Particulars  | Currency | 31 March 2018 | 31 March 2017 |
|--|----------|---------------|---------------|
| <b>Financial liabilities</b>                       |          |               |               |
| Foreign currency loan (including interest accrued) | USD      | 158,396.44    | 175,224.34    |
|  |          | 158,396.44    | 175,224.34    |

The Company manages its foreign currency risk by hedging transactions. The Company has hedged its cash flows related to foreign currency transactions covering the entire duration of the foreign currency loan. As at 31 March 2018, the Company hedged 100% of its foreign currency borrowings.

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in lakhs)

| Particulars                        | 31 March 2018 | 31 March 2017 |
|------------------------------------|---------------|---------------|
| <b>USD sensitivity</b>             |               |               |
| Increase by 5% (31 March 2017: 5%) | 7,919.82      | 8,761.22      |
| Decrease by 5% (31 March 2017: 5%) | (7,919.82)    | (8,761.22)    |

#### b) Interest rate risk

##### i) Liabilities

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 Group's fixed rate borrowings 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.

The Group manages its interest rate risk by having a balanced portfolio of variable rate loans and borrowings.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(₹ in lakhs)

| Particulars              | 31 March 2018       | 31 March 2017       |
|--------------------------|---------------------|---------------------|
| Variable rate borrowings | 1,540,777.20        | 2,683,790.45        |
| Fixed rate borrowings    | 208,302.34          | 236,432.14          |
| <b>Total borrowings</b>  | <b>1,749,079.54</b> | <b>2,920,222.59</b> |

#### Sensitivity

Profit or loss and equity is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lakhs)

| Particulars   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>Interest sensitivity</b>   |               |               |
| Interest rates – increase by 100 basis point (31 March 2017: 100 basis point) | 15,407.77     | 26,837.90     |
| Interest rates – decrease by 100 basis point (31 March 2017: 100 basis point) | (15,407.77)   | (26,837.90)   |

\* Holding all other variables constant

## Notes to Consolidated Financial Statements (Contd.)

### ii) Assets

The Group'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.

### c) Price risk

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

#### Sensitivity analysis

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

(₹ in lakhs)

| Particulars                    | 31 March 2018 | 31 March 2017 |
|--------------------------------|---------------|---------------|
| <b>Price sensitivity</b>       |               |               |
| Price increase by (5%) - FVOCI | 109.94        | 112.75        |
| Price decrease by (5%) - FVOCI | (109.94)      | (112.75)      |
| Price increase by (5%) - FVTPL | 10,710.62     | 3,411.19      |
| Price decrease by (5%) - FVTPL | (10,710.62)   | (3,411.19)    |

### d) Legal, Taxation and Accounting risk

Change to any of the above laws, rules, regulations related to DLF Business could have a material impact on its financial results. Compliance with any proposed changes could also result in significant cost of DLF. Failure to fully comply with various laws, rules and regulations may expose DLF to proceedings which may materially affect its performance.

DLF is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to personal injury claims, landlord-tenant disputes, commercials disputes, tax disputes, employment disputes and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In Situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, DLF records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, DLF employs in-house counsel and uses third party tax & legal experts to assist in structuring significant transactions and contracts. DLF also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

## 40. CAPITAL MANAGEMENT

### (a) Risk managemnet

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

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

The Group manages its 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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(₹ in lakhs)

| Particulars                                     | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Net debts*                                      | 1,613,455.26  | 2,578,963.59  |
| Total equity                                    | 5,144,499.57  | 5,036,247.08  |
| <b>Net debt to equity ratio (gearing ratio)</b> | <b>0.31</b>   | <b>0.51</b>   |

\*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents

(b) Dividends

(₹ in lakhs)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| <b>Proposed dividend</b>   |               |               |
| Proposed final dividend for the year ended 31 March 2018 of ₹ 0.80 per share (31 March 2017 of ₹ 2.00 per share) | 14,272.54     | 35,680.06     |
| <b>Paid dividend</b>   |               |               |
| Final dividend for the year ended 31 March 2017 of ₹ 2.00 per share  | 35,681.14     | -             |
| Interim dividend for the year ended 31 March 2018 of ₹ 1.42 per share (by Cyber Group)                           | 10,664.03     | -             |
| Interim dividend for the year ended 31 March 2018 of ₹ 1.20 per share  | 21,408.80     | -             |

Dividend Distribution Tax (DDT) on proposed/ final dividend for the year ended on 31 March 2018 ₹ 13,819.37 lakhs (31 March 2017: ₹ 388.51 lakhs)

Further, the Board of Directors at its meeting held on 21 May 2018, has recommended final dividend of ₹ 14,272.54 lakhs @ 40% (i.e ₹ 0.80/- per equity share having par value of ₹ 2/- each). Since this final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting, no provision has been made in these financial statements for the same.

#### 41. CASH FLOW HEDGES

##### A Risk management strategy

The Group uses swaps contracts to hedge its risks associated with fluctuations in foreign currency. The risk being hedged is the risk of potential gain/ loss due to fluctuation in foreign currency rates. The use of swap contracts is covered by The Group's overall strategy. The Group does not use swaps for speculative purposes. As per the strategy of The Group, foreign currency loans are covered by hedge, considering the risks associated with the hedging of such loans, which effectively fixes the principal liability of such loans and mitigates or eliminate the financial and market risks in India (the place of business of The Group).

Hedge ratio is the relationship between the quantity of the hedging instrument and the quantity of the hedged item. In the case, total principal payments under the transaction is hedged under the swap contracts with the equivalent amount and at the same dates. Hence the entity hedge 100% of its exposure on the transaction and is considered highly effective.

##### B Other hedge related disclosures

(i) The maturity profile of hedging instrument is as follows:

(₹ in lakhs)

| Particulars   | Less than 1 year | 1-5 years | More than 5 years | Total    |
|---|------------------|-----------|-------------------|----------|
| <b>31 March 2018</b>  |                  |           |                   |          |
| Derivative asset - swap contract (INR-USD hedge rate - ₹ 59.87) | 1,291.30         | 1,269.08  | -                 | 2,560.38 |
| <b>31 March 2017</b>  |                  |           |                   |          |
| Derivative asset - swap contract (INR-USD hedge rate - ₹ 59.87) | 1,604.38         | 2,560.38  | -                 | 4,164.76 |

(ii) In The Group's hedge relationship, source of hedge ineffectiveness are credit risk of the counterparty or of The Group and changes in timing of hedge transaction.

(iii) The amounts relating to items designated as hedging instrument are as follows:

(₹ in lakhs)

| Particulars                           | Carrying Amount  |                       | Hedge related gains/ (losses) recognised in OCI | Amount charged to statement of profit and loss | Line item of statement of profit and loss where the impact is included |
|---------------------------------------|------------------|-----------------------|---|--|--|
|                                       | Derivative Asset | Foreign currency loan |   |  |  |
| <b>31 March 2018</b>                  |                  |                       |   |  |  |
| External commercial borrowing ('ECB') | 4,514.69         | 124,596.67            | 328.65  | 1,604.38                                       | Profit on account of cash flow hedges in other expense                 |
| <b>31 March 2017</b>                  |                  |                       |   |  |  |
| External commercial borrowing ('ECB') | 5,168.00         | 173,023.30            | (2,954.26)                                      | 1,762.00                                       | Loss on account of cash flow hedges in other expense                   |

(iv) Fair value of derivative contract:

(₹ in lakhs)

|  | 31 March 2018 |             | 31 March 2017 |             |
|--|---------------|-------------|---------------|-------------|
|  | Assets        | Liabilities | Assets        | Liabilities |
| Fair value of foreign currency forward contracts designated as hedging instruments | 4,514.69      | Nil         | 5,168.00      | Nil         |

## Notes to Consolidated Financial Statements (Contd.)

### 42. REVENUE RELATED DISCLOSURES

Disclosure in respect of projects (except developed plots) under the Guidance Note on "Accounting for Real Estate Transactions (Guidance Note)" is as below. The Company determines project revenue based on percentage of completion method as and when all the conditions mentioned in Guidance Note are met. Further, stage of completion is determined based on actual cost incurred as compared to the total budgeted cost of the project.

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Amount of project revenue recognized as revenue during the year          | 262,962.93    | 359,327.17    |
| Aggregate amount of costs incurred and profits recognized to date        | 3,947,944.44  | 3,684,981.51  |
| Amount of advances received  | 268,484.93    | 435,166.36    |
| Amount of work-in-progress and value of inventories*                     | 569,260.19    | 649,251.27    |
| Excess of revenue recognized over actual bills raised (unbilled revenue) | 161,702.20    | 165,897.53    |

\* Excludes inventories of unlaunched land parcels and development rights.

### 43. EMPLOYEE BENEFIT OBLIGATIONS

#### (a) Provident fund

The Company offer its employees, benefits under defined benefit plans in the form of provident fund scheme which cover all its employees. Both the employees and the Company pay predetermined contributions in the trust. During the year, the Company has contributed ₹ 769.60 lakhs (Previous Year ₹ 1,016.95 lakhs) into the trust and charged to the statement of profit and loss. In this regard, actuarial valuation was carried out by the independent actuary to find out value of Projected Benefit Obligation arising due to interest rate guarantee towards Provident Fund. In terms of said valuation, the Company has no liability towards interest rate guarantee as on 31 March 2018 and 31 March 2017.

The details of fund and plan asset position are given below:

(₹ in lakhs)

| Particulars   | 31 March 2018   | 31 March 2017 |
|---|-----------------|---------------|
| Present value of benefit obligation at period end                       | 18,338.82       | 18,787.35     |
| Plan value at period end, at fair value                                 | 19,494.62       | 18,945.32     |
| <b>Net assets/ (liability) recognized in balance sheet as provision</b> | <b>1,155.80</b> | <b>157.97</b> |

| Particulars                             | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| % Allocation of plan assets by category |               |               |
| Funds Managed by the insurer            | 100%          | 100%          |

Principal actuarial assumptions used:

| Particulars  | 31 March 2018  | 31 March 2017 |
|--|----------------|---------------|
| <b>Financial Assumptions</b>                           |                |               |
| Discounting rate                                       | 7.60%          | 7.50%         |
| Expected statutory interest rate on the ledger balance | 8.55%          | 8.65%         |
| Expected shortfall in interest earnings on the fund    | 0.05%          | 0.05%         |
| <b>Demographic Assumptions</b>                         |                |               |
| Retirement Age (Years)                                 | 60             | 60            |
| Mortality Rates inclusive of provision for disability  | IALM (2006-08) |               |
| Withdrawal Rates                                       |                |               |
| Up to 30 years   | 3.00%          | 3.00%         |
| From 31 to 44 years                                    | 2.00%          | 2.00%         |
| Above 44 years   | 1.00%          | 1.00%         |

**(b) (i) Gratuity (non-funded)**

The Company has a defined benefit gratuity plan, which is unfunded. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The weighted-average duration of the defined benefit obligation is 4.33 to 22.75 years (31 March 2017: 4.07 to 14.09 years).

**Risks associated with plan provisions**

The Company is exposed to number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact if these risks are as follows:

**Salary growth risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

**Interest rate risk**

A decrease in interest rate in future years will increase the plan liability.

**Life expectancy risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

**Withdrawals Risk**

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following tables summarise the components of net benefit expense recognised in the statement of profit & loss:

**Amount recognised in the statement of profit and loss is as under:**

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Current service cost   | 391.78        | 524.06        |
| Interest cost  | 348.64        | 367.78        |
| Capitalized during the year                                  | (222.57)      | (341.40)      |
| Expenses recovered   | (23.39)       | (122.27)      |
| <b>Amount recognised in the statement of profit and loss</b> | <b>494.46</b> | <b>428.17</b> |

**Movement in the liability recognised in the balance sheet is as under:**

(₹ in lakhs)

| Description  | 31 March 2018   | 31 March 2017   |
|--|-----------------|-----------------|
| <b>Present value of defined benefit obligation as at the start of the year</b> | <b>5,193.65</b> | <b>4,663.89</b> |
| Current service cost   | 391.78          | 524.06          |
| Interest cost  | 348.64          | 367.78          |
| Actuarial loss/ (gain) recognized during the year                              | (166.27)        | 259.53          |
| Benefits paid  | (657.79)        | (602.33)        |
| Adjustment on account of addition/ deletion of subsidiary companies            | (637.53)        | (19.28)         |
| <b>Present value of defined benefit obligation as at the end of the year</b>   | <b>4,472.48</b> | <b>5,193.65</b> |
| Current portion of defined benefit obligation                                  | 545.22          | 693.81          |
| Non-current portion of defined benefit obligation                              | 3,927.26        | 4,499.84        |

**Breakup of Actuarial (gain)/ loss: Other comprehensive income:**

(₹ in lakhs)

| Description   | 31 March 2018   | 31 March 2017 |
|---|-----------------|---------------|
| Actuarial loss/ (gain) on arising from change in demographic assumption | -               | 1.22          |
| Actuarial loss/ (gain) on arising from change in financial assumption   | (154.27)        | 239.49        |
| Actuarial loss/ (gain) on arising from experience adjustment            | (11.99)         | 18.82         |
| <b>Total</b>  | <b>(166.27)</b> | <b>259.53</b> |



## Notes to Consolidated Financial Statements (Contd.)

For the determination of the liability in respect of gratuity, the Group has used the following actuarial assumptions:

| Description   | 31 March 2018          | 31 March 2017  |
|---|------------------------|----------------|
| <b>Financial Assumptions</b>                          |                        |                |
| Discount rate   | 7.89%                  | 7.50%          |
| Future salary increase                                | 7.50%                  | 7.50%          |
| <b>Demographic Assumptions</b>                        |                        |                |
| Retirement Age (Years)                                | 58/60/62/65/68         | 58/60/62/65/68 |
| Mortality Rates inclusive of provision for disability | 100% of IALM (2006-08) |                |
| <b>Withdrawal Rates</b>                               |                        |                |
| Up to 30 years  | 3.00%                  | 3.00%          |
| From 31 to 44 years                                   | 2.00%                  | 2.00%          |
| Above 44 years  | 1.00%                  | 1.00%          |

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### Sensitivity analysis for gratuity liability

(₹ in lakhs)

| Particulars   | 31 March 2018   | 31 March 2017   |
|---|-----------------|-----------------|
| <b>(A) Impact of change in discount rate</b>              |                 |                 |
| <b>Present value of obligation at the end of the year</b> | <b>4,472.48</b> | <b>5,193.65</b> |
| a) Impact due to increase of 0.50%                        | (184.74)        | (78.33)         |
| b) Impact due to decrease of 0.50%                        | 198.20          | 416.57          |
| <b>(B) Impact of change in salary increase</b>            |                 |                 |
| <b>Present value of obligation at the end of the year</b> | <b>4,472.48</b> | <b>5,193.65</b> |
| a) Impact due to increase of 0.50%                        | 197.76          | 414.90          |
| b) Impact due to decrease of 0.50%                        | (186.01)        | (79.03)         |

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

As the Group does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

### Maturity Profile of Defined Benefit Obligation:

The following payments are expected contributions to the defined benefit plan in future years

(₹ in lakhs)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Within the next 12 months (next annual reporting period) | 526.65        | 587.93        |
| Between 2 and 5 years                                    | 1,119.45      | 3,298.23      |
| Beyond 5 years   | 2,826.38      | 1,307.48      |

### (b) (ii) Gratuity (funded)

The Company has a defined benefit gratuity plan, which is funded. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The weighted-average duration of the defined benefit obligation is 6.96 years (31 March 2017: 9.23 years).

### Risks associated with plan provisions

The Company is exposed to number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact if these risks are as follows:

#### Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

#### Interest rate risk

A decrease in interest rate in future years will increase the plan liability.

#### Life expectancy risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

#### Withdrawals Risk

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following tables summarise the components of net benefit expense recognised in the statement of profit & loss:

#### Amount recognized in the statement of profit and loss is as under:

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Current service cost   | 4.86          | 0.99          |
| Interest cost on defined benefit obligation                  | 0.57          | 2.74          |
| <b>Amount recognized in the statement of profit and loss</b> | <b>5.43</b>   | <b>3.73</b>   |

#### Movement in the liability recognised in the balance sheet is as under:

(₹ in lakhs)

| Description   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>Present value obligation as at the start of the year</b> | <b>21.12</b>  | <b>44.49</b>  |
| Interest cost on defined benefit obligation                 | 1.58          | 3.56          |
| Current service cost  | 1.36          | 0.99          |
| Past service cost including curtailment gains/ losses       | 3.50          | -             |
| Benefits paid   | -             | (36.72)       |
| Actuarial loss on obligation                                | 2.37          | 8.80          |
| <b>Present value obligation as at the end of the year</b>   | <b>29.93</b>  | <b>21.12</b>  |
| Current portion of defined benefit obligation               | 5.39          | 0.37          |
| Non-current portion of defined benefit obligation           | 24.54         | 20.75         |

#### Movement in fair value of plan assets is as under:

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Fair value of plan assets as at the start of the year      | 13.56         | 10.25         |
| Expected interest income on plan assets                    | -             | 0.82          |
| Actuarial gain/ (loss) for the year on asset               | 1.02          | 30.04         |
| Employer contribution                                      | 3.03          | 9.17          |
| Benefits paid  | -             | (36.72)       |
| <b>Fair value of plan assets as at the end of the year</b> | <b>17.61</b>  | <b>13.56</b>  |

#### Breakup of Actuarial gain/ (loss): Other comprehensive income:

(₹ in lakhs)

| Description   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Actuarial gain/ (loss) on plan assets                                 | -             | 30.04         |
| <b>Actuarial gain/ (loss) on defined benefit obligation:</b>          |               |               |
| Actuarial gain/ (loss) on arising from change in financial assumption | (0.45)        | (0.56)        |
| Actuarial gain/ (loss) on arising from experience adjustment          | 2.82          | (8.24)        |
| <b>Total</b>  | <b>2.37</b>   | <b>21.24</b>  |

## Notes to Consolidated Financial Statements (Contd.)

### Reconciliation of present value of defined benefit obligation and the fair value of plan assets:

(₹ in lakhs)

| Description   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Present value obligation as at the end of the year  | 29.93         | 21.12         |
| Fair value of plan assets as at the end of the year | 17.61         | 13.56         |
| <b>Net liabilities recognized in balance sheet</b>  | <b>12.32</b>  | <b>7.56</b>   |

### Actuarial assumptions

| Description   | 31 March 2018          | 31 March 2017  |
|---|------------------------|----------------|
| <b>Financial Assumptions</b>                          |                        |                |
| Discount rate   | 7.89%                  | 7.50%          |
| Future salary increase                                | 5.25%                  | 5.25%          |
| <b>Demographic Assumptions</b>                        |                        |                |
| Retirement Age (Years)                                | 58/60/62/65/68         | 58/60/62/65/68 |
| Mortality Rates inclusive of provision for disability | 100% of IALM (2006-08) |                |
| Withdrawal Rates                                      |                        |                |
| Up to 30 years  | 3.00%                  | 3.00%          |
| From 31 to 44 years                                   | 2.00%                  | 2.00%          |
| Above 44 years  | 1.00%                  | 1.00%          |

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### (c) Sensitivity analysis for gratuity liability:

(₹ in lakhs)

| Particulars   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>a) Impact of the change in discount rate</b>           |               |               |
| <b>Present value of obligation at the end of the year</b> | <b>29.93</b>  | <b>21.12</b>  |
| a) Impact due to increase of 0.50%                        | (0.56)        | (0.56)        |
| b) Impact due to decrease of 0.50%                        | 0.58          | 0.58          |
| <b>b) Impact of the change in salary increase</b>         |               |               |
| <b>Present value of obligation at the end of the year</b> | <b>29.93</b>  | <b>21.12</b>  |
| a) Impact due to increase of 0.50%                        | 0.59          | 0.59          |
| b) Impact due to decrease of 0.50%                        | (0.58)        | (0.58)        |

### Major categories of plan assets (as percentage of total plan assets)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Funds managed by insurer (Life Insurance Corporation of India) | 100%          | 100%          |
| <b>Total</b>   | <b>100%</b>   | <b>100%</b>   |

### (d) Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Within the next 12 months (next annual reporting period) | 5.39          | 0.37          |
| Between 2 and 5 years                                    | 13.21         | 1.36          |
| Beyond 5 years   | 11.33         | 19.39         |

### 44. (a) (i) Deemed Disposal

The Group entered into a Share Purchase and Shareholders Agreement ("SPSHA") with Reco Diamond Private Limited ("Investor"), an affiliate of GIC Singapore, DLF Cyber City Developers Limited ("DCCDL") and certain promoter group entities, wherein the promoter group entities converted certain portion of CCPS into equity shares on 7 December 2017, thereby reducing DLF holding to 66.53%. Subsequently, promoter group entities sold equity shares in DCCDL to the Investor at a purchase consideration of ₹ 895,600.00 lakhs. Subsequent to fulfilment of all conditions precedent specified in the SPSHA, the sale and purchase of the securities and other closing actions as contemplated under the SPSHA were completed on 26 December 2017 and consequently, the Investor holds 33.34% equity stake in DCCDL.

As per the conditions precedent to the completion of the transaction referred above, the Company and its subsidiaries (other than DCCDL group) acquired/ sold stake in following entities from/ to DCCDL group:

- i) 460,000 Equity shares of ₹ 10/- each of DLF City Center Limited have been sold by the Company and DLF Home Developers Limited (DHDL) to DCCDL at a consideration of ₹ 3,390.00 lakhs.
  - ii) DHDL has received ₹ 7,550.00 lakhs for purchase of 6,500 equity shares of ₹ 10/- each of Galleria Property Management Service Private Limited from DLF Promenade Limited (3,250 shares) and Richmond Park Property Management Services Limited (3,250 shares), subsidiaries of DCCDL group.
  - iii) The Company has purchased 97,405,700 equity shares of ₹ 10/- each of DLF Utilities Limited from DCCDL, DLF Asset Private Limited, DLF City Centre Limited, DLF Promenade Limited and DLF Emporio Limited (subsidiaries of DCCDL group) at a purchase consideration of ₹ 40,034.00 lakhs.
  - iv) DHDL has acquired 5,500,000 equity shares of ₹ 10/- each of DLF Energy Private Limited from DLF Power and Services Limited (subsidiaries of DCCDL group) at a purchase consideration of ₹ 580.00 lakhs.
- (ii) Further, due to terms and conditions of SPSHA, between the Group and Investor, requiring unanimity of agreement in respect of significant matters related to the financial and operating policies of DCCDL and its subsidiaries (“DCCDL Group”), the Group considers that it does not solely control DCCDL Group and therefore investment in DCCDL Group has been accounted for as joint venture in accordance with Ind AS 28 ‘Investment in Associates and Joint Ventures’ and Ind AS 111 ‘Joint Arrangements’.

In accordance with Ind AS 110 ‘Consolidated Financial Statements’, the Group has fair valued its remaining equity stake (66.66%) in DCCDL Group and recorded a gain of ₹ 992,713.00 lakhs arising due to deemed disposal on account of loss of control of DCCDL Group. This has been included as an ‘exceptional item’ in the consolidated financial statements of the Company. Consequently, deferred tax liability amounting to ₹ 406,000.00 lakhs has been created at the consolidated level in respect of investment in DCCDL as a joint venture. The aforementioned gain has arisen due to compliance with applicable Indian Accounting Standards pursuant to loss of control. This is not an operating income and is non-recurring in nature. There is no cash flow on acquisition since the gain is recognized on deemed disposal.

The Company has accounted for the investment in DCCDL Group using equity method and carried out the fair valuation of the assets and liabilities of DCCDL Group as on 26 December 2017 for the purpose of purchase price allocation (PPA) as per Ind AS 28 “Investment in Associates and Joint Ventures”. The total purchase consideration of aforesaid transaction grossed to 100% equity shares of DCCDL amounts to ₹ 2,686,323.00 lakhs. The adjusted purchase consideration has been arrived as follows:

(₹ in lakhs)

| Particulars  | Amount           |
|--|------------------|
| <b>Purchase Consideration for 100% equity stake</b>  | <b>2,686,323</b> |
| Add: Borrowings (Long-term + short-term)   | 1,710,567        |
| Add: Tranche 2 buy-back consideration as per agreement (refer note i below)  | 168,710          |
| Less: Non-operative Loans and advances (refer note ii below)   | 797,849          |
| Less: Cash and cash equivalents  | 50,589           |
| <b>Total Adjusted Purchase consideration - (A)</b>   | <b>3,717,162</b> |
| <b>Less: Fair value of:</b>  |                  |
| Tangible Fixed Assets  | 3,644,996        |
| Intangible Assets  | 72               |
| Capital work-in-progress   | 115,550          |
| Non-cash working capital   | (157,406)        |
| Operative Loans and Advances   | 92,800           |
| <b>Total - (B)</b>   | <b>3,696,012</b> |
| <b>Excess purchase consideration over fair value of net assets (Goodwill) C = (A-B)</b>  | <b>21,150</b>    |
| <b>Net deferred tax liability created on difference in book value and fair value of tangible fixed assets of DCCDL Group - (D)</b> | <b>444,560</b>   |
| <b>Adjusted Goodwill E= (C+D)</b>  | <b>465,710</b>   |
| <b>Proportion of the Group’s ownership – (F)</b>   | <b>66.66%</b>    |
| <b>Goodwill included in Investment made by the Group in DCCDL (E*F)</b>  | <b>310,442</b>   |

- (i) 167 lakhs CCPS shall be bought back by DCCDL within 15 months from the time of closing as per the SPSHA. Hence, the amount liable to be paid on account of same has been added to arrive at the adjusted purchase consideration.

## Notes to Consolidated Financial Statements (Contd.)

(ii) Out of total loans and advances of ₹ 890,640.00 lakhs, loans and advances amounting to ₹ 797,849.00 lakhs pertains to advances held by the related parties. Hence, the same have been considered as non-operative and has been adjusted from the purchase consideration.

The excess of fair value of assets and liabilities over the purchase consideration has been identified as goodwill (including deferred tax liability) and not recorded separately as DCCDL is a joint venture.

The numbers for corresponding previous year appearing under various schedules and notes to these consolidated financial statements are not strictly comparable with current year due to loss of control in DCCDL.

(b) The Group has incorporated two wholly-owned subsidiaries, DLF Info City Chennai Limited (DICCL) and DLF Info City Hyderabad Limited (DICHL), on 5 October 2017 and 10 October 2017, respectively with an investment of ₹ 500,000.00 in each of the subsidiary.

(c) **Mergers during the year ended 31 March 2018.**

### Lodhi Merger details:

During the year, Scheme for Amalgamation/ Arrangement has been filed before the National Company Law Tribunal (NCLT) for merger of DLF Hotel Holdings Limited, DLF Global Hospitality Limited, and Silverlink (Mauritius) Limited with Lodhi Property Company Limited (all are subsidiary companies of DLF Limited). The Orders for sanctioned of the Scheme has been approved by NCLT on 20 February 2018. Details as follows:

| S. No. | Name of transferee company            | Name of transferor companies  | Purchase Consideration   | Date of filing of Order with ROC | Date of approval from NCLT |
|--------|---------------------------------------|---|--|----------------------------------|----------------------------|
| 1.     | Lodhi Property Company Limited (LPCL) | 1. DLF Hotel Holdings Limited<br>2. DLF Global Hospitality Limited<br>3. Silverlink (Mauritius) Limited | For every 82,017 equity shares of DLF Hotel Holdings Limited Shareholders to receive 1,000 equity share in LPCL at fair value of ₹ 971.21 per share. | 23 March 2018                    | 20 February 2018           |

(d) **Acquisitions during the year ended 31 March 2018.**

Pursuant to the share purchase agreement entered in financial year 2010-11 during the year, a subsidiary company had acquired 99.99% equity stake (with voting interests) in Kolkata International Convention Centre Limited (KICCL) (acquisition date 12 January 2018), Indian unlisted company into real estate development. The acquisition was made to enhance the Group's position in real estate development in the central regions of India.

Details of assets and liabilities acquired of the acquiree entity.

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

(₹ in lakhs)

| Assets and liabilities acquired                                     | Kolkata International Convention Centre Limited<br>Fair value |
|---|---|
| Cash and cash equivalents   | 2.20  |
| Other bank balances   | 12,773.00   |
| Other financial/ non-financial assets and deferred tax assets (net) | 149.15  |
| <b>Total assets</b>   | <b>12,924.35</b>  |
| Trade payables  | 0.16  |
| Borrowings  | 1,300.00  |
| Other financial/ non-financial liabilities                          | 9,251.92  |
| Other current liabilities   | 32.99   |
| Provisions  | 1,294.43  |
| <b>Total liabilities</b>  | <b>11,879.50</b>  |
| Net identifiable assets acquired                                    | <b>1,044.85</b>   |
| Purchase consideration (non cash)                                   | <b>5,005.60</b>   |

(i) The fair value of trade receivables and other financial assets is equivalent to the contractual amount receivable (net of provision). Further, there are no trade receivables and other financial assets as at the acquisition date whose contractual cash flow are not expected to be collected.

(ii) Cash flow on acquisition

The purchase consideration for acquisition amounts to ₹ 5,005.60 lakhs which has been adjusted against loan given to KICCL in past, accordingly there is no cash outflow in current year.

(iii) Goodwill

Assets and liabilities are recorded at fair value at the date of acquisition. As there is no excess of fair value of assets and liabilities over the purchase consideration, no Goodwill has been recognized.

(iv) Contribution to the Group results

Kolkata International Convention Centre Limited has contributed ₹ 338.44 lakhs of revenue (gross) and ₹ 337.27 lakhs to profit before tax (gross) from 12 January 2018 to 31 March 2018. Had the acquisition taken place at the beginning of year i.e. 1 April 2017, Kolkata International Convention Centre Limited would have contributed total revenue (gross) of ₹ 504.17 lakhs and the profit before tax (gross) of ₹ 2,692.29 lakhs.

**(e) Mergers during the year ended 31 March 2017.**

**Amalgamation/ merger of various subsidiaries**

The Group's mergers and amalgamations are common control arrangements accounted for using pooling of interest method. Information related to mergers are as follows:

**Mergers that happened during the year 2016-17** – Petitions for amalgamations/ arrangements were filed before the Hon'ble High Court of Punjab and Haryana at Chandigarh and the Hon'ble High Court of Delhi at New Delhi/ NCLT of New Delhi and Chandigarh, respectively by various subsidiary companies as per details given below. The Hon'ble High Court(s)/ NCLT have approved/ sanctioned the scheme of amalgamation, which was filed with Registrar of Companies ('ROC'), NCT of Delhi & Haryana thereby making the scheme of amalgamation effective from the respective appointed dates. Accordingly, financial statements of these companies are merged to give effect of the amalgamation/ arrangement. All the transferor companies are engaged in the business of real estate development.

| Sl. No. | Name of transferee company  | Name of transferor companies   | Date of filing of Order with ROC i.e. effective date* |
|---------|---|--|---|
| 1.      | DLF Hotel Holdings Limited (a wholly-owned subsidiary of DLF Limited)       | 1. DLF Hospitality & Recreational Limited<br>2. DLF Inns Limited<br>3. DLF Luxury Hotels Limited<br>4. DLF Realtors Private Limited<br>5. DLF Service Apartments Limited   | 8 June 2016   |
| 2.      | DLF Home Developers Limited (a wholly-owned subsidiary of DLF Limited)      | 1. DLF Buildcon Private Limited<br>2. DLF Info City Developers (Chennai) Limited<br>3. DLF Telecom Limited<br>4. DLF Universal Limited (demerger of Real Estate Undertaking)<br>5. Mhaya Buildcon Private Limited.   | 25 November 2016                                      |
| 3.      | DLF Real Estate Builders Limited (a wholly-owned subsidiary of DLF Limited) | 1. Hyacinthia Real Estate Developers Private Limited<br>2. Kavicon Partners Limited<br>3. Sahastrajit Builders & Developers Private Limited<br>4. Seaberi Builders & Developers Private Limited<br>5. Thalia Infratech Private Limited<br>6. Turan Infratech Private Limited | 27 April 2017   |

\* This is the date on which transferee has obtained the control of transferor companies.

**(f) Acquisitions during the year ended 31 March 2017.**

The Group had acquired 63.86% equity stake (with voting interests) in DLF Garden City Indore Private Limited (acquisition date 21 March 2017) and 70.49% equity stake (with voting interests) in DLF Southern Towns Private Limited (acquisition date 21 March 2017), Indian unlisted companies into real estate development. The acquisition was made to enhance the Group's position in real estate development in the central regions of India.

The Group had previously held 36.14% equity stake in DLF Garden City Indore Private Limited and 29.51% equity stake in DLF Southern Towns Private Limited. Post the acquisition of remaining stake, these entities became 100% subsidiaries of the Group.

## Notes to Consolidated Financial Statements (Contd.)

Details of assets and liabilities acquired of the acquiree entities

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

(₹ in lakhs)

| Assets and liabilities acquired                                     | DLF Garden City Indore Private Limited | DLF Southern Towns Private Limited |
|---|--|------------------------------------|
|   | Fair value                             | Fair value                         |
| Property, plant and equipment/ capital work-in-progress             | 1,688.65                               | 2,707.01                           |
| Trade receivables (Refer (i) below)                                 | 851.82                                 | 852.53                             |
| Inventories   | 26,645.30                              | 103,640.98                         |
| Cash and cash equivalents   | 679.20                                 | 267.39                             |
| Other financial/ non-financial assets and deferred tax assets (net) | 1,424.50                               | 6,466.66                           |
| <b>Total assets</b>   | <b>31,289.47</b>                       | <b>113,934.57</b>                  |
| Trade payables  | 1,226.84                               | 3,823.36                           |
| Borrowings  | 996.66                                 | 32,534.16                          |
| Other financial/ non-financial liabilities                          | 2,153.54                               | 9,179.18                           |
| <b>Total liabilities</b>  | <b>4,377.04</b>                        | <b>45,536.70</b>                   |
| <b>Net identifiable assets acquired</b>                             | <b>26,912.43</b>                       | <b>68,397.87</b>                   |
| Fair value of stake previously held by the Group                    | 9,912.43                               | 20,397.87                          |
| Purchase consideration  | 17,000.00                              | 48,000.00                          |

(i) The fair value of trade receivables and other financial assets is equivalent to the contractual amount receivable (net of provision). Further, there are no trade receivables and other financial assets as at the acquisition date whose contractual cash flow are not expected to be collected.

(ii) Cash flow on acquisition

The purchase consideration for acquisition amounted to ₹ 65,000.00 lakhs.

(iii) Goodwill

Assets and liabilities are recorded at fair value at the date of acquisition. As there is no excess of fair value of assets and liabilities over the purchase consideration, no Goodwill has been recognised in these business combinations.

(iv) Gain on re-measurement of previously held equity interest

The gain recognized on fair value of existing equity stake in DLF Garden City Indore Private Limited and in DLF Southern Towns Private Limited by the Group as at the acquisition date amounts to ₹ 4,469.55 lakhs and ₹ 3,910.52 lakhs, respectively, which has been disclosed separately in 'other income' under 'Gain on fair valuation of existing stake in equity accounted investee' as part of the statement of profit and loss.

(v) Contribution to the Group results

DLF Garden City Indore Private Limited has contributed ₹ 48.10 lakhs of revenue (gross) and ₹ 15.24 lakhs to profit before tax (gross) from 21 March 2017 to 31 March 2017. Had the acquisition taken place at the beginning of year i.e. 1 April 2016, DLF Garden City Indore Private Limited would have contributed total revenue (gross) of ₹ 995.07 lakhs and the loss before tax (gross) of ₹ 81.53 lakhs.

DLF Southern Towns Private Limited has contributed ₹ 6.01 lakhs of revenue (gross) and ₹ 166.67 lakhs to profit before tax (gross) from 21 March 2017 to 31 March 2017. Had the acquisition taken place at the beginning of year i.e. 1 April 2016, DLF Southern Towns Private Limited would have contributed total revenue (gross) of ₹ 166.86 lakhs and the loss before tax (gross) of ₹ 4,774.58 lakhs.

(vi) Acquisition related costs

The Group has incurred acquisition related costs of ₹ 76.58 lakhs and are included in other expenses in statement of profit and loss.

#### 45. GROUP INFORMATION

Consolidated financial statements comprises the financial statements of DLF Limited, its subsidiaries, partnership firms, joint ventures/ joint operations and associates as listed below:

| S. No. | Name of Entity  | Country of Incorporation | Proportion of ownership (%) as at 31 March 2018 | Proportion of ownership (%) as at 31 March 2017 |
|--------|---|--------------------------|---|---|
| (i)    | <b>Subsidiary companies at any time during the year</b>                               |                          |   |   |
| 1.     | Aadarshini Real Estate Developers Private Limited                                     | India                    | 100.00  | 100.00  |
| 2.     | Abhigyan Builders & Developers Private Limited  | India                    | 100.00  | 100.00  |
| 3.     | Abhiraj Real Estate Private Limited   | India                    | 100.00  | 100.00  |
| 4.     | Adeline Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 5.     | Americus Real Estate Private Limited  | India                    | 100.00  | 100.00  |
| 6.     | Amishi Builders & Developers Private Limited  | India                    | 100.00  | 100.00  |
| 7.     | Angelina Real Estates Private Limited   | India                    | 100.00  | 100.00  |
| 8.     | Ariadne Builders & Developers Private Limited   | India                    | 100.00  | 99.98   |
| 9.     | Armand Builders & Constructions Private Limited                                       | India                    | 100.00  | 100.00  |
| 10.    | Benedict Estates Developers Private Limited   | India                    | 100.00  | 100.00  |
| 11.    | Beyla Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 12.    | Bhamini Real Estate Developers Private Limited  | India                    | 100.00  | 100.00  |
| 13.    | Breeze Constructions Private Limited  | India                    | 100.00  | 100.00  |
| 14.    | Caraf Builders & Constructions Private Limited [till 25 December 2017]^               | India                    | 66.53   | 100.00  |
| 15.    | Chakradharee Estates Developers Private Limited                                       | India                    | 100.00  | 100.00  |
| 16.    | Chandrajyoti Estate Developers Private Limited  | India                    | 100.00  | 100.00  |
| 17.    | Dae Real Estates Private Limited  | India                    | 100.00  | 100.00  |
| 18.    | Daffodil Hotels Private Limited   | India                    | 74.00   | 74.00   |
| 19.    | Dalmia Promoters and Developers Private Limited                                       | India                    | 100.00  | 100.00  |
| 20.    | Delanco Home and Resorts Private Limited  | India                    | 100.00  | 100.00  |
| 21.    | Delanco Realtors Private Limited  | India                    | 100.00  | 100.00  |
| 22.    | Deltaland Buildcon Private Limited  | India                    | 100.00  | 100.00  |
| 23.    | DLF Aspinwal Hotels Private Limited   | India                    | 100.00  | 100.00  |
| 24.    | DLF Assets Private Limited [till 25 December 2017]^                                   | India                    | 66.53   | 100.00  |
| 25.    | DLF Buildcon Private Limited [till 24 November 2016]***                               | India                    | -   | 100.00  |
| 26.    | DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited] | India                    | 98.96   | 98.96   |
| 27.    | DLF City Centre Limited [till 25 December 2017]^                                      | India                    | 66.53   | 100.00  |
| 28.    | DLF Cochin Hotels Private Limited   | India                    | 100.00  | 100.00  |
| 29.    | DLF Commercial Developers Limited   | India                    | 100.00  | 100.00  |
| 30.    | DLF Cyber City Developers Limited [till 25 December 2017]^                            | India                    | 66.53   | 100.00  |
| 31.    | DLF Emporio Limited [till 25 December 2017]^  | India                    | 66.53   | 99.94   |
| 32.    | DLF Emporio Restaurants Limited   | India                    | 100.00  | 100.00  |
| 33.    | DLF Energy Private Limited  | India                    | 100.00  | 99.98   |
| 34.    | DLF Estate Developers Limited   | India                    | 100.00  | 100.00  |
| 35.    | DLF Finvest Limited   | India                    | 100.00  | 100.00  |
| 36.    | DLF Garden City Indore Private Limited**  | India                    | 100.00  | 100.00  |
| 37.    | DLF Global Hospitality Limited [till 22 March 2018] [refer note 44 (c)]               | Cyprus                   | 100.00  | 100.00  |
| 38.    | DLF Golf Resorts Limited  | India                    | 100.00  | 100.00  |
| 39.    | DLF Home Developers Limited   | India                    | 100.00  | 100.00  |
| 40.    | DLF Homes Goa Private Limited   | India                    | 100.00  | 100.00  |



Notes to Consolidated Financial Statements (Contd.)

| S. No. | Name of Entity   | Country of Incorporation | Proportion of ownership (%) as at 31 March 2018 | Proportion of ownership (%) as at 31 March 2017 |
|--------|--|--------------------------|---|---|
| 41.    | DLF Homes Kokapet Private Limited  | India                    | 100.00  | 100.00  |
| 42.    | DLF Homes Services Private Limited   | India                    | 100.00  | 100.00  |
| 43.    | DLF Hospitality and Recreational Limited [till 7 June 2016]#                                 | India                    | -   | 100.00  |
| 44.    | DLF Hotel Holdings Limited [till 22 March 2018] [refer note 44 (c)]                          | India                    | 100.00  | 100.00  |
| 45.    | DLF Info City Hyderabad Limited [refer Note 44 (b)]  | India                    | 100.00  | -   |
| 46.    | DLF Info City Chennai Limited [refer Note 44 (b)]  | India                    | 100.00  | -   |
| 47.    | DLF Info City Developers (Chandigarh) Limited [till 25 December 2017]^                       | India                    | 66.53   | 100.00  |
| 48.    | DLF Info City Developers (Chennai) Limited [till 24 November 2016]***                        | India                    | -   | 100.00  |
| 49.    | DLF Info City Developers (Kolkata) Limited [till 25 December 2017]^                          | India                    | 66.53   | 100.00  |
| 50.    | DLF Info Park (Pune) Limited   | India                    | 100.00  | 100.00  |
| 51.    | DLF Info Park Developers (Chennai) Limited   | India                    | 100.00  | 100.00  |
| 52.    | DLF Inns Limited [till 7 June 2016]#   | India                    | -   | 100.00  |
| 53.    | DLF Lands India Private Limited (formerly known as Berenice Real Estate Private Limited)     | India                    | 100.00  | 100.00  |
| 54.    | DLF Luxury Homes Limited [formerly DLF GK Residency Limited]                                 | India                    | 100.00  | 100.00  |
| 55.    | DLF Luxury Hotels Limited [till 7 June 2016]#  | India                    | -   | 100.00  |
| 56.    | DLF Phase-IV Commercial Developers Limited   | India                    | 100.00  | 100.00  |
| 57.    | DLF Power & Services Limited [till 25 December 2017]^  | India                    | 66.53   | 100.00  |
| 58.    | DLF Projects Limited   | India                    | 100.00  | 100.00  |
| 59.    | DLF Promenade Limited [till 25 December 2017]^   | India                    | 66.53   | 100.00  |
| 60.    | DLF Property Developers Limited  | India                    | 100.00  | 100.00  |
| 61.    | DLF Real Estate Builders Limited   | India                    | 99.99   | 100.00  |
| 62.    | DLF Realtors Private Limited [till 7 June 2016]#   | India                    | -   | 100.00  |
| 63.    | DLF Recreational Foundation Limited  | India                    | 85.00   | 85.00   |
| 64.    | DLF Residential Builders Limited   | India                    | 100.00  | 100.00  |
| 65.    | DLF Residential Developers Limited   | India                    | 100.00  | 100.00  |
| 66.    | DLF Residential Partners Limited   | India                    | 100.00  | 100.00  |
| 67.    | DLF Service Apartments Limited [till 7 June 2016]#   | India                    | -   | 100.00  |
| 68.    | DLF South Point Limited  | India                    | 100.00  | 99.99   |
| 69.    | DLF Southern Towns Private Limited**   | India                    | 100.00  | 100.00  |
| 70.    | DLF Telecom Limited [till 24 November 2016]***   | India                    | -   | 100.00  |
| 71.    | DLF Universal Limited***   | India                    | 100.00  | 100.00  |
| 72.    | DLF Utilities Limited  | India                    | 100.00  | 99.98   |
| 73.    | Domus Real Estate Private Limited  | India                    | 100.00  | 100.00  |
| 74.    | Eastern India Powertech Limited  | India                    | 100.00  | 100.00  |
| 75.    | Edward Keventer (Successors) Private Limited   | India                    | 100.00  | 100.00  |
| 76.    | Elvira Builders & Constructions Private Limited  | India                    | 100.00  | 100.00  |
| 77.    | Faye Builders & Constructions Private Limited  | India                    | 100.00  | 100.00  |
| 78.    | Galleria Property Management Services Private Limited  | India                    | 100.00  | 72.22   |
| 79.    | Ghaliya Builders & Developers Private Limited  | India                    | 100.00  | 100.00  |
| 80.    | Hansel Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 81.    | Isabel Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 82.    | Kolkata International Convention Centre Limited [w.e.f. 12 January 2018] [refer Note 44 (d)] | India                    | 99.99   | -   |
| 83.    | Lada Estates Private Limited   | India                    | 100.00  | 100.00  |
| 84.    | Latona Builders & Constructions Private Limited  | India                    | 100.00  | 100.00  |

| S. No. | Name of Entity   | Country of Incorporation | Proportion of ownership (%) as at 31 March 2018 | Proportion of ownership (%) as at 31 March 2017 |
|--------|--|--------------------------|---|---|
| 85.    | Lear Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 86.    | Lempo Buildwell Private Limited  | India                    | 100.00  | 100.00  |
| 87.    | Liber Buildwell Private Limited  | India                    | 100.00  | 100.00  |
| 88.    | Livana Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 89.    | Lizebeth Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 90.    | Lodhi Property Company Limited   | India                    | 100.00  | 99.99   |
| 91.    | Mariabella Builders & Developers Private Limited                                       | India                    | 100.00  | 100.00  |
| 92.    | Melosa Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 93.    | Mens Buildcon Private Limited  | India                    | 100.00  | 100.00  |
| 94.    | Mhaya Buildcon Private Limited [till 24 November 2016]***                              | India                    | -   | 100.00  |
| 95.    | Nambi Buildwell Private Limited  | India                    | 100.00  | 100.00  |
| 96.    | Narooma Builders & Developers Private Limited  | India                    | 100.00  | 100.00  |
| 97.    | Nellis Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 98.    | Niobe Builders & Developers Private Limited  | India                    | 100.00  | 100.00  |
| 99.    | Nudhar Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 100.   | Paliwal Developers Limited   | India                    | 100.00  | 100.00  |
| 101.   | Paliwal Real Estate Limited  | India                    | 100.00  | 100.00  |
| 102.   | Phoena Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 103.   | Pyrite Builders & Constructions Private Limited  | India                    | 100.00  | 100.00  |
| 104.   | Qabil Builders & Constructions Private Limited   | India                    | 100.00  | 100.00  |
| 105.   | Rachelle Builders & Constructions Private Limited                                      | India                    | 100.00  | 100.00  |
| 106.   | Richmond Park Property Management Services Limited [till 25 December 2017]^            | India                    | 66.53   | 100.00  |
| 107.   | Riveria Commercial Developers Limited  | India                    | 100.00  | 100.00  |
| 108.   | Rochelle Builders & Constructions Private Limited                                      | India                    | 100.00  | 100.00  |
| 109.   | Royalton Builders & Developers Private Limited   | India                    | 100.00  | 100.00  |
| 110.   | Saket Holidays Resorts Private Limited   | India                    | 100.00  | 100.00  |
| 111.   | Shivaji Marg Maintenance Services Limited [formerly NewGen MedWorld Hospitals Limited] | India                    | 100.00  | 100.00  |
| 112.   | Silverlink (Mauritius) Limited [till 22 March 2018] [refer note 44 (c)]                | Mauritius                | 100.00  | 100.00  |
| 113.   | Triumph Electronics Private Limited [till 23 March 2017]                               | India                    | -   | 100.00  |
| 114.   | Urvasi Infratech Private Limited   | India                    | 100.00  | 100.00  |
| 115.   | Vibodh Developers Private Limited  | India                    | 100.00  | 100.00  |
| 116.   | Vkarma Capital Investment Management Company Private Limited                           | India                    | 100.00  | 100.00  |
| 117.   | Vkarma Capital Trustee Company Private Limited   | India                    | 100.00  | 100.00  |
| 118.   | Webcity Builders & Developers Private Limited  | India                    | 100.00  | 100.00  |

The Company holds 51% equity in Balaji Highways Holding Private Limited (Balaji), however the Company has no control over Balaji & has immaterial effect, hence has not been consolidated.

| <b>(ii) Partnership firms</b>                   |   |       |        |        |
|---|---|-------|--------|--------|
| 1.  | DLF Commercial Projects Corporation             | India | 100.00 | 100.00 |
| 2.  | DLF Gayatri Developers##                        | India | 41.92  | 41.92  |
| 3.  | DLF Green Valley##                              | India | 50.00  | 50.00  |
| 4.  | DLF Office Developers                           | India | 85.00  | 85.00  |
| 5.  | Rational Builders and Developers                | India | 95.00  | 95.00  |
| <b>(iii) Joint Ventures (J)/ Associates (A)</b> |   |       |        |        |
| 1.  | Banjara Hills Hyderabad Complex (J)             | India | 50.00  | 50.00  |
| 2.  | DLF Gayatri Home Developers Private Limited (J) | India | 50.00  | 50.00  |
| 3.  | DLF Midtown Private Limited (J)                 | India | 50.00  | 49.00  |

## Notes to Consolidated Financial Statements (Contd.)

| S. No. | Name of Entity   | Country of Incorporation | Proportion of ownership (%) as at 31 March 2018 | Proportion of ownership (%) as at 31 March 2017 |
|--------|--|--------------------------|---|---|
| 4.     | DLF SBPL Developers Private Limited (J)  | India                    | 50.00   | 50.00   |
| 5.     | DLF Urban Private Limited (J)  | India                    | 50.00   | 49.00   |
| 6.     | GSG DRDL Consortium (J)  | India                    | 50.00   | 50.00   |
| 7.     | YG Realty Private Limited (J)  | India                    | 50.00   | 50.00   |
| 8.     | Designplus Associates Services Private Limited (J)   | India                    | 42.49   | 42.49   |
| 9.     | DLF Garden City Indore Private Limited [till 20 March 2017]** (J)  | India                    | -   | 36.14   |
| 10.    | DLF Homes Panchkula Private Limited (A)  | India                    | 39.54   | 39.54   |
| 11.    | Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017]* (J)   | India                    | -   | 40.93   |
| 12.    | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017]* (J)  | India                    | -   | 51.00   |
| 13.    | DLF Southern Towns Private Limited [till 20 March 2017]** (J)  | India                    | -   | 29.51   |
| 14.    | Joyous Housing Limited (J)   | India                    | 37.50   | 37.50   |
| 15.    | Arizona Globalservices Private Limited (A)****   | India                    | -   | -   |
| 16.    | DCCDL GROUP (J)^ comprising of investment in DLF Cyber City Developers Limited along with its following subsidiaries [also refer note 44 (a)] {w.e.f 26 December 2017} | India                    | 66.66   | -   |
| i.     | Caraf Builders & Constructions Private Limited   | India                    |   |   |
| ii.    | DLF Assets Private Limited   | India                    |   |   |
| iii.   | DLF City Centre Limited  | India                    |   |   |
| iv.    | DLF Emporio Limited  | India                    |   |   |
| v.     | DLF Info City Developers (Chandigarh) Limited  | India                    |   |   |
| vi.    | DLF Info City Developers (Kolkata) Limited   | India                    |   |   |
| vii.   | DLF Power & Services Limited   | India                    |   |   |
| viii.  | DLF Promenade Limited  | India                    |   |   |
| ix.    | Richmond Park Property Management Services Limited   | India                    |   |   |

### Notes:

- <sup>^</sup> Due to terms and conditions of SPSHA, between the Company and Investor, requiring unanimity of agreement in respect of significant matters related to the financial and operating policies of DCCDL and its subsidiaries ("DCCDL Group"), the Company considers that it does not solely control DCCDL Group and therefore investment in DCCDL Group has been accounted for as joint venture in accordance with Ind AS 28 'Investment in Associates and Joint Ventures' and Ind AS 111 'Joint Arrangements'. Refer note 44(a) for details.
- \* During the previous year, one of the subsidiary namely DLF Home Developers Limited ("DHDL") has sold (i) 19,428,879 equity shares and 3,400,000 preference shares of Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] for ₹ 54,300.00 lakhs and (ii) 13,768 equity shares of Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] (Rajapura) for ₹ 10,394.00 lakhs. Besides this, DHDL has opted buy back of 4,283 equity shares of Rajapura for ₹ 3,233.00 lakhs. Accordingly, DHDL ceased to hold any stake now in these two companies.
- \*\* During the previous year, one of the subsidiary namely DLF Home Developers Limited ("DHDL") has purchased 33,345 equity shares of DLF Southern Towns Private Limited for ₹ 48,000.00 lakhs and 30,571 equity shares of DLF Garden City Indore Private Limited for ₹ 17,000.00 lakhs, consequently the said companies have become wholly-owned subsidiaries of DHDL w.e.f. 21 March 2017.
- \*\*\* During the previous year, the Hon'ble High Court of Punjab & Haryana at Chandigarh vide its order approved the arrangement as embodied in the Scheme of Amalgamation of the said companies and the demerged Real Estate Undertaking of DLF Universal Limited, a subsidiary Company, with DLF Home Developers Limited ("DHDL"), a wholly-owned subsidiary company and same has been filed with the Registrar of Companies on 25 November 2016. On complying with the requisite formalities, the scheme became effective from 1 April 2014 ('appointed date'). Accordingly, all the assets, rights, powers, liabilities and duties of the transferor companies vested in the transferee company as a going concern from the appointed date and the transferor companies without any further act were dissolved without winding up.
- \*\*\*\* During the previous year, DLF Universal Limited ('Investor') (demerged Real Estate Undertaking of DLF Universal Limited, now merged with DLF Home Developers Limited, one of the wholly-owned subsidiary Company of the Group) was holding Compulsorily Convertible Preference Shares ('CCPS') in Arizona Globalservices Private Limited ('Arizona'), being potential equity share which

was not considered for control evaluation and hence, Arizona was accounted as third party investments in the previous GAAP. These CCPS in Arizona are open for conversion as at the transition date at the option of the Investor. If these CCPS are converted (also considering the other terms and conditions of the arrangement) between said parties, it will assure significant influence over Arizona by the Company. Hence, Arizona is classified as an associate and the Group recognizes its share in net assets through equity method.

- # The Hon'ble High Court of Delhi at New Delhi vide its order approved the arrangement as embodied in the Scheme of Amalgamation of the said companies with DLF Hotel Holdings Limited, a wholly-owned subsidiary company and same has been filed with the Registrar of Companies on 8 June 2016. On complying with the requisite formalities, the scheme became effective from 1 April 2014 ("appointed date"). Accordingly, all the assets, rights, powers, liabilities and duties of the transferor companies vested in the transferee company as a going concern from the appointed date and the transferor companies without any further act were dissolved without winding up.
- ## DLF Gayatri Developers and DLF Green Valley were classified as joint venture under the previous GAAP basis the shareholding pattern. The partnership agreement in relation to the DLF Gayatri Developers and DLF Green Valley provides decision making rights to the Group for all relevant activities. Hence, these entities are classified as subsidiaries.

#### 46. SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST ('NCI')

The Group includes two subsidiaries, with material non-controlling interests, as mentioned below:

| Description   | Country | Capital contribution by NCI |               |
|---|---------|-----------------------------|---------------|
|   |         | 31 March 2018               | 31 March 2017 |
| DLF Gayatri Developers (partnership firm) (Refer (i) below) | India   | 58.08%                      | 58.08%        |
| DLF Green Valley (partnership firm) (Refer (ii) below)      | India   | 50.00%                      | 50.00%        |

| Description                               | Country | NCI's profit share |               |
|---|---------|--------------------|---------------|
|   |         | 31 March 2018      | 31 March 2017 |
| DLF Gayatri Developers (partnership firm) | India   | 50.00%             | 50.00%        |
| DLF Green Valley (partnership firm)       | India   | 50.00%             | 50.00%        |

#### Consolidated position w.r.t. non-controlling interest

(₹ in lakhs)

| Description   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>Accumulated balances of material non-controlling interest:</b> |               |               |
| DLF Gayatri Developers  | 2,030.38      | 2,868.88      |
| DLF Green Valley  | 872.12        | 1,071.85      |

| Description   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>Profit/ (loss) allocated to material non-controlling interest:</b> |               |               |
| DLF Gayatri Developers  | (445.95)      | (366.43)      |
| DLF Green Valley  | (260.44)      | (434.15)      |

No dividends were paid to the NCI during the year ended 31 March 2018 and 31 March 2017.

The summarized financial information of the subsidiaries, before intragroup eliminations are set out below:

#### (i) DLF Gayatri Developers

##### Balance sheet

(₹ in lakhs)

| Description              | 31 March 2018   | 31 March 2017   |
|--------------------------|-----------------|-----------------|
| Non-current assets       | 26.14           | 62.16           |
| Current assets           | 10,023.21       | 11,477.67       |
| Current liabilities      | (7,314.12)      | (7,061.48)      |
| <b>Total equity</b>      | <b>2,735.21</b> | <b>3,624.35</b> |
| <b>Attributable to:</b>  |                 |                 |
| Equity holders of parent | 704.83          | 1,609.47        |
| Non-controlling interest | 2,030.39        | 2,868.88        |

## Notes to Consolidated Financial Statements (Contd.)

### Statement of profit and loss

(₹ in lakhs)

| Description   | 31 March 2018   | 31 March 2017   |
|---|-----------------|-----------------|
| Revenue and other income                            | 165.17          | 1,462.72        |
| Cost of construction and development                | 1,033.07        | 2,174.28        |
| Finance costs                                       | -               | 0.03            |
| Depreciation  | 1.98            | 1.98            |
| Other expenses                                      | 22.02           | 15.95           |
| <b>Loss before tax</b>                              | <b>(891.91)</b> | <b>(729.52)</b> |
| Income tax and deferred tax                         | -               | 3.32            |
| <b>Loss for the year from continuing operations</b> | <b>(891.91)</b> | <b>(732.84)</b> |
| Other comprehensive income                          | -               | -               |
| <b>Total comprehensive income (loss)</b>            | <b>(891.91)</b> | <b>(732.84)</b> |
| Attributable to non-controlling interests           | (445.95)        | (366.43)        |

### Cash flow information

(₹ in lakhs)

| Description                                      | 31 March 2018  | 31 March 2017  |
|--|----------------|----------------|
| Cash used in operating activities                | (1252.44)      | (1,872.16)     |
| Cash flow from/ (used in) investing activities   | 774.70         | 1,829.25       |
| Cash used in financing activities                | 2.27           | (2.03)         |
| <b>Net decrease in cash and cash equivalents</b> | <b>(31.68)</b> | <b>(44.94)</b> |

### (ii) DLF Green Valley

#### Balance sheet

(₹ in lakhs)

| Description              | 31 March 2018   | 31 March 2017   |
|--------------------------|-----------------|-----------------|
| Non-current assets       | 6,319.39        | 6,319.39        |
| Current assets           | 1.01            | 1.56            |
| Current liabilities      | (521.77)        | (557.27)        |
| <b>Total equity</b>      | <b>5,798.62</b> | <b>5,763.68</b> |
| <b>Attributable to:</b>  |                 |                 |
| Equity holders of parent | 4,926.50        | 4,691.83        |
| Non-controlling interest | 872.12          | 1,071.85        |

#### Statement of profit and loss

(₹ in lakhs)

| Description   | 31 March 2018   | 31 March 2017   |
|---|-----------------|-----------------|
| Finance costs                                       | 518.34          | 555.84          |
| Other expenses                                      | 2.54            | 312.46          |
| <b>Loss before tax</b>                              | <b>(520.88)</b> | <b>(868.30)</b> |
| <b>Loss for the year from continuing operations</b> | <b>(520.88)</b> | <b>(868.30)</b> |
| Other comprehensive income                          | -               | -               |
| <b>Total comprehensive income</b>                   | <b>(520.88)</b> | <b>(868.30)</b> |
| Attributable to non-controlling interests           | (260.44)        | (434.15)        |

#### Cash flow information

(₹ in lakhs)

| Description  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Cash used in operating activities                            | (0.54)        | (2.08)        |
| Cash flow from financing activities                          | -             | -             |
| <b>Net (decrease)/ increase in cash and cash equivalents</b> | <b>(0.54)</b> | <b>(2.08)</b> |

## 47. INFORMATION ABOUT ASSOCIATES AND JOINT VENTURES

### (i) Joint ventures

| S. No. | Name of Entity  | Associates/<br>joint ventures/<br>joint operations | Principal activities   | Principal place<br>of business/<br>Country of<br>Incorporation | Proportion<br>of ownership<br>(%) as at<br>31 March 2018 | Proportion<br>of ownership<br>(%) as at<br>31 March 2017 |
|--------|---|--|------------------------|--|--|--|
| 1.     | Banjara Hills Hyderabad Complex (J)   | Joint operations                                   | Real Estate Developers | India  | 50.00  | 50.00  |
| 2.     | DLF Gayatri Home Developers Private Limited (J)   | Joint venture                                      | Real Estate Developers | India  | 50.00  | 50.00  |
| 3.     | DLF Midtown Private Limited (J)   | Joint venture                                      | Real Estate Developers | India  | 50.00  | 49.00  |
| 4.     | DLF SBPL Developers Private Limited (J)   | Joint venture                                      | Real Estate Developers | India  | 50.00  | 50.00  |
| 5.     | DLF Urban Private Limited (J)   | Joint venture                                      | Real Estate Developers | India  | 50.00  | 49.00  |
| 6.     | GSG DRDL Consortium (J)   | Joint operations                                   | Real Estate Developers | India  | 50.00  | 50.00  |
| 7.     | YG Realty Private Limited (J)   | Joint venture                                      | Real Estate Developers | India  | 50.00  | 50.00  |
| 8.     | Designplus Associates Services Private Limited (J)  | Joint venture                                      | Real Estate Designer   | India  | 42.49  | 42.49  |
| 9.     | DLF Garden City Indore Private Limited [till 20 March 2017] (J)   | Joint venture                                      | Real Estate Developers | India  | -  | 36.14  |
| 10.    | DLF Homes Panchkula Private Limited (A)   | Associate  | Real Estate Developers | India  | 39.54  | 39.54  |
| 11.    | Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017] (J)   | Joint venture                                      | Real Estate Developers | India  | -  | 40.93  |
| 12.    | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] (J)  | Joint venture                                      | Real Estate Developers | India  | -  | 51.00  |
| 13.    | DLF Southern Towns Private Limited [till 20 March 2017] (J)   | Joint venture                                      | Real Estate Developers | India  | -  | 29.51  |
| 14.    | Joyous Housing Limited (J)  | Joint venture                                      | Real Estate Developers | India  | 37.50  | 37.50  |
| 15.    | Arizona Globalservices Private Limited (A)  | Associate  | Real Estate Developers | India  | -  | -  |
| 16.    | DCCDL GROUP (J)^ comprising of investment in DLF Cyber City Developers Limited along with its following subsidiaries [also refer note 44 (a)] [w.e.f. 26 December 2017] | Joint venture                                      | Real Estate Developers | India  | 66.66  | -  |
| i.     | Caraf Builders & Constructions Private Limited  | Joint venture                                      | Real Estate Developers | India  |  |  |
| ii.    | DLF Assets Private Limited  | Joint venture                                      | Real Estate Developers | India  |  |  |
| iii.   | DLF City Centre Limited   | Joint venture                                      | Real Estate Developers | India  |  |  |
| iv.    | DLF Emporio Limited   | Joint venture                                      | Real Estate Developers | India  |  |  |
| v.     | DLF Info City Developers (Chandigarh) Limited   | Joint venture                                      | Real Estate Developers | India  |  |  |
| vi.    | DLF Info City Developers (Kolkata) Limited  | Joint venture                                      | Real Estate Developers | India  |  |  |
| vii.   | DLF Power & Services Limited  | Joint venture                                      | Maintenance Comapny    | India  |  |  |
| viii.  | DLF Promenade Limited   | Joint venture                                      | Real Estate Developers | India  |  |  |
| ix.    | Richmond Park Property Management Services Limited  | Joint venture                                      | Real Estate Developers | India  |  |  |

#### Notes:

- a) The Group has a 66.66% interest in DCCDL, a joint venture involved in the business of Real Estate Business, the Group's interest in DCCDL is accounted for using the equity method in the consolidated financial statements.

## Notes to Consolidated Financial Statements (Contd.)

- b) During the previous year, one of the subsidiary namely DLF Home Developers Limited (“DHDL”) has sold (i) 19,428,879 equity shares and 3,400,000 preference shares of Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] for ₹54,300.00 lakhs and (ii) 13,768 equity shares of Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] (Rajapura) for ₹10,394.00 lakhs. Besides this, DHDL has opted buy back of 4,283 equity shares of Rajapura for ₹3,233.00 lakhs. Accordingly, DHDL ceased to hold any stake now in these two companies.
- c) During the previous year, one of the subsidiary namely DLF Home Developers Limited (“DHDL”) has purchased 33,345 equity shares of DLF Southern Towns Private Limited for ₹48,000.00 lakhs and 30,571 equity shares of DLF Garden City Indore Private Limited for ₹17,000.00 lakhs, consequently the said companies have become wholly-owned subsidiaries of DHDL w.e.f. 21 March 2017 (refer note 44 (f) for details).
- d) Joyous Housing Limited (‘Joyous’) and Designplus Associates Services Private Limited were classified as associates under the previous GAAP basis the shareholding pattern which leads to significant influence over these entities by the Group. The shareholder agreement in relation to these entities requires unanimous consent from all parties for all relevant activities. These entities have equal representation from shareholders. Hence, these entities are classified as joint venture and the Group recognises its share in net assets through equity method.
- e) Summarised financial information of the joint venture, based on its consolidated Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

### (ii) Summarised financial information for joint ventures and associates

(₹ in lakhs)

| Description   | 31 March 2018    | 31 March 2017     |
|---|------------------|-------------------|
| <b>Total share of loss from joint ventures and associates</b> | <b>18,437.71</b> | <b>(9,225.96)</b> |

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures.

### (iii) Summarised financial information for all material joint ventures

The Group’s interest in the individually material joint ventures disclosed below is accounted for using the equity method.

#### Summarised Balance sheets

(₹ in lakhs)

| Particulars   | DLF Gayatri Home Developers Private Limited |                | DLF Midtown Private Limited |                   |
|---|---|----------------|-----------------------------|-------------------|
|   | 31 March 2018                               | 31 March 2017  | 31 March 2018               | 31 March 2017     |
| Cash and cash equivalents   | 9.33  | 6.38           | 386.97                      | 1,152.53          |
| Other assets  | 476.90                                      | 476.90         | 197,778.63                  | 182,039.93        |
| <b>Current assets (A)</b>   | <b>486.23</b>                               | <b>483.28</b>  | <b>198,165.60</b>           | <b>183,192.46</b> |
| <b>Non-current assets (B)</b>   | <b>-</b>                                    | <b>-</b>       | <b>8.75</b>                 | <b>7.15</b>       |
| Current financial liabilities (excluding trade payables and provisions)     | 649.77                                      | 555.55         | 34,775.64                   | 21,956.17         |
| Trade payables and provisions   | 5.52  | 4.91           | 11.46                       | 69.42             |
| <b>Current liabilities (C)</b>  | <b>655.29</b>                               | <b>560.46</b>  | <b>34,787.10</b>            | <b>22,025.59</b>  |
| Non-current financial liabilities (excluding trade payables and provisions) | -   | -              | 84,632.00                   | 117,129.99        |
| <b>Non-current liabilities (D)</b>  | <b>-</b>                                    | <b>-</b>       | <b>84,632.00</b>            | <b>117,129.99</b> |
| <b>Net assets (A+B-C-D)</b>   | <b>(169.06)</b>                             | <b>(77.18)</b> | <b>78,755.25</b>            | <b>44,044.04</b>  |
| <b>Equity</b>   | <b>1.00</b>                                 | <b>1.00</b>    | <b>2,248.20</b>             | <b>2,206.14</b>   |
| Proportion of the Group’s ownership   | 50%   | 50%            | 50%                         | 49%               |
| Carrying amount of the investment   | (84.46)                                     | (38.59)        | 72,200.61                   | 33,467.44         |

(₹ in lakhs)

| Particulars   | DLF SBPL Developers Private Limited |                 | DLF Urban Private Limited |                  |
|---|-------------------------------------|-----------------|---------------------------|------------------|
|   | 31 March 2018                       | 31 March 2017   | 31 March 2018             | 31 March 2017    |
| Cash and cash equivalents   | 2.44                                | 1.49            | 989.25                    | 302.03           |
| Other assets  | 13.32                               | 13.32           | 81,241.45                 | 63,762.16        |
| <b>Current assets (A)</b>   | <b>15.76</b>                        | <b>14.81</b>    | <b>82,230.70</b>          | <b>64,064.18</b> |
| <b>Non-current assets (B)</b>   | -                                   | -               | 12.15                     | 9.02             |
| Current financial liabilities (excluding trade payables and provisions)     | 200.60                              | 158.40          | 12,249.44                 | 7,370.19         |
| Trade payables and provisions   | 13.58                               | 17.94           | 1,384.25                  | 526.56           |
| <b>Current liabilities (C)</b>  | <b>214.18</b>                       | <b>176.34</b>   | <b>13,633.69</b>          | <b>7,896.75</b>  |
| Non-current financial liabilities (excluding trade payables and provisions) | -                                   | -               | 41,786.81                 | 39,043.34        |
| Trade payables and provisions   | -                                   | -               | -                         | -                |
| <b>Non-current liabilities (D)</b>  | -                                   | -               | <b>41,786.81</b>          | <b>39,043.34</b> |
| <b>Net assets (A+B-C-D)</b>   | <b>(198.42)</b>                     | <b>(161.53)</b> | <b>26,822.35</b>          | <b>17,133.12</b> |
| <b>Equity</b>   | <b>1.00</b>                         | <b>1.00</b>     | <b>927.97</b>             | <b>913.95</b>    |
| Proportion of the Group's ownership   | 50%                                 | 50%             | 50%                       | 49%              |
| Carrying amount of the investment   | (99.20)                             | (80.76)         | 31,560.15                 | 12,359.52        |

(₹ in lakhs)

| Particulars   | YG Realty Private Limited |                   | Joyous Housing Limited |                  |
|---|---------------------------|-------------------|------------------------|------------------|
|   | 31 March 2018             | 31 March 2017     | 31 March 2018          | 31 March 2017    |
| Cash and cash equivalents   | 1,349.08                  | 2,824.77          | 6,581.95               | 32.07            |
| Other assets  | 893.69                    | 1,269.70          | 69,233.46              | 59,202.69        |
| <b>Current assets (A)</b>   | <b>2,242.77</b>           | <b>4,094.47</b>   | <b>75,815.41</b>       | <b>59,234.76</b> |
| <b>Non-current assets (B)</b>   | <b>99,080.59</b>          | <b>102,024.52</b> | <b>6,359.30</b>        | <b>4,859.10</b>  |
| Current financial liabilities (excluding trade payables and provisions)     | 15,259.07                 | 10,032.55         | 5,254.91               | 2,076.21         |
| Trade payables and provisions   | 448.42                    | 906.99            | 524.91                 | 881.93           |
| <b>Current liabilities (C)</b>  | <b>15,707.49</b>          | <b>10,939.54</b>  | <b>5,779.82</b>        | <b>2,958.14</b>  |
| Non-current financial liabilities (excluding trade payables and provisions) | 75,430.17                 | 84,329.63         | 72,789.37              | 57,169.39        |
| Trade payables and provisions   | 17.52                     | 8.93              | 0.82                   | 3.03             |
| <b>Non-current liabilities (D)</b>  | <b>75,447.69</b>          | <b>84,338.56</b>  | <b>72,790.19</b>       | <b>57,172.42</b> |
| <b>Net assets (A+B-C-D)</b>   | <b>10,168.18</b>          | <b>10,840.89</b>  | <b>3,604.70</b>        | <b>3,963.30</b>  |
| <b>Equity</b>   | <b>150.02</b>             | <b>150.02</b>     | <b>100.00</b>          | <b>100.00</b>    |
| Proportion of the Group's ownership   | 50%                       | 50%               | 37.50%                 | 37.50%           |
| Carrying amount of the investment   | 47,166.90                 | 37,538.84         | 5,458.99               | 5,593.46         |

(₹ in lakhs)

| Particulars   | DCCDL Group (refer note 44 (a)) |               | Designplus Associates Services Private Limited |                 |
|---|---------------------------------|---------------|--|-----------------|
|   | 31 March 2018                   | 31 March 2017 | 31 March 2018                                  | 31 March 2017   |
| Cash and cash equivalents   | 35,153.74                       | -             | 275.92   | 33.12           |
| Other assets  | 938,455.55                      | -             | 787.69   | 1,284.27        |
| <b>Current assets (A)</b>   | <b>973,609.29</b>               | -             | <b>1,063.60</b>                                | <b>1,317.42</b> |
| <b>Non-current assets (B)</b>   | <b>1,852,470.42</b>             | -             | <b>181.86</b>                                  | <b>134.07</b>   |
| Current financial liabilities (excluding trade payables and provisions)     | 203,896.43                      | -             | 121.89   | 396.64          |
| Trade payables and provisions   | 26,869.39                       | -             | 144.35   | 178.58          |
| <b>Current liabilities (C)</b>  | <b>230,765.82</b>               | -             | <b>266.24</b>                                  | <b>575.22</b>   |
| Non-current financial liabilities (excluding trade payables and provisions) | 1,818,954.41                    | -             | 39.36  | -               |
| Trade payables and provisions   | 1,135.81                        | -             | 128.62   | 107.65          |
| <b>Non-current liabilities (D)</b>  | <b>1,820,090.22</b>             | -             | <b>167.98</b>                                  | <b>107.65</b>   |
| <b>Net assets (A+B-C-D)</b>   | <b>775,223.67</b>               | -             | <b>811.24</b>                                  | <b>768.62</b>   |
| <b>Equity</b>   | <b>226,416.77</b>               | -             | <b>29.42</b>                                   | <b>29.42</b>    |
| Proportion of the Group's ownership   | 66.66%                          | -             | 42.49%   | 42.49%          |
| Carrying amount of the investment   | 1,804,322.77                    | -             | 4,860.57                                       | 4,842.45        |



Notes to Consolidated Financial Statements (Contd.)

Summarised Statement of profit and loss

(₹ in lakhs)

| Particulars                                  | DLF Gayatri Home Developers Private Limited |                                  | DLF Midtown Private Limited      |                                  |
|--|---|----------------------------------|----------------------------------|----------------------------------|
|  | For the year ended 31 March 2018            | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Revenue                                      | -   | -                                | -                                | -                                |
| Interest income                              | -   | -                                | 1.00                             | -                                |
| <b>Total revenue (A)</b>                     | -   | -                                | <b>1.00</b>                      | -                                |
| Depreciation and amortisation                | -   | -                                | -                                | -                                |
| Employee benefit expense                     | -   | -                                | -                                | -                                |
| Other finance costs                          | 75.37                                       | 36.38                            | 265.44                           | 13.35                            |
| Other expense                                | 16.51                                       | 8.93                             | 22.35                            | 17.04                            |
| <b>Total expenses (B)</b>                    | <b>91.88</b>                                | <b>45.31</b>                     | <b>287.79</b>                    | <b>30.39</b>                     |
| Profit/ (loss) before tax (C = A-B)          | (91.88)                                     | (45.31)                          | (286.79)                         | (30.39)                          |
| Tax expense (D)                              | -   | -                                | -                                | -                                |
| <b>Profit/ (loss) for the year (E = C-D)</b> | <b>(91.88)</b>                              | <b>(45.31)</b>                   | <b>(286.79)</b>                  | <b>(30.39)</b>                   |
| Other comprehensive income (F)               | -   | -                                | -                                | -                                |
| <b>Total comprehensive income (E+F)</b>      | <b>(91.88)</b>                              | <b>(45.31)</b>                   | <b>(286.79)</b>                  | <b>(30.39)</b>                   |
| <b>Share of profit/ (loss) for the year</b>  | <b>(45.88)</b>                              | <b>(22.65)</b>                   | <b>(143.40)</b>                  | <b>(14.89)</b>                   |

(₹ in lakhs)

| Particulars                                  | DLF SBPL Developers Private Limited |                                  | DLF Urban Private Limited        |                                  |
|--|-------------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  | For the year ended 31 March 2018    | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Revenue                                      | -                                   | -                                | -                                | -                                |
| Interest income                              | -                                   | -                                | 0.09                             | 0.01                             |
| <b>Total revenue (A)</b>                     | -                                   | -                                | <b>0.09</b>                      | <b>0.01</b>                      |
| Other finance costs                          | 15.04                               | 14.27                            | 0.50                             | 7.44                             |
| Other expense                                | 21.85                               | 28.47                            | 47.34                            | 17.58                            |
| <b>Total expenses (B)</b>                    | <b>36.89</b>                        | <b>42.74</b>                     | <b>47.84</b>                     | <b>25.02</b>                     |
| Profit/ (loss) before tax (C = A-B)          | (36.89)                             | (42.74)                          | (47.75)                          | (25.01)                          |
| Tax expense (D)                              | -                                   | -                                | -                                | -                                |
| <b>Profit/ (loss) for the year (E = C-D)</b> | <b>(36.89)</b>                      | <b>(42.74)</b>                   | <b>(47.75)</b>                   | <b>(25.01)</b>                   |
| Other comprehensive income (F)               | -                                   | -                                | -                                | -                                |
| <b>Total comprehensive income (E+F)</b>      | <b>(36.89)</b>                      | <b>(42.74)</b>                   | <b>(47.75)</b>                   | <b>(25.01)</b>                   |
| <b>Share of profit/ (loss) for the year</b>  | <b>(18.44)</b>                      | <b>(21.37)</b>                   | <b>(23.88)</b>                   | <b>(12.25)</b>                   |

(₹ in lakhs)

| Particulars                                  | Joyous Housing Limited           |                                  | YG Realty Private Limited        |                                  |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Revenue                                      | 68.65                            | 331.92                           | 13,431.21                        | 11,782.62                        |
| Interest income                              | -                                | 85.83                            | 1,043.54                         | 848.37                           |
| <b>Total revenue (A)</b>                     | <b>68.65</b>                     | <b>417.75</b>                    | <b>14,474.75</b>                 | <b>12,630.99</b>                 |
| Cost of Construction                         | (8,352.58)                       | (6,628.27)                       | -                                | -                                |
| Depreciation and amortisation                | 11.17                            | 19.56                            | 2,874.56                         | 2,923.31                         |
| Employee benefit expense                     | 123.11                           | 153.62                           | 228.26                           | 209.46                           |
| Other finance costs                          | 9,029.34                         | 7,034.88                         | 10,089.42                        | 10,375.51                        |
| Other expense                                | 20.36                            | 25.92                            | 1,956.94                         | 2,094.41                         |
| <b>Total expenses (B)</b>                    | <b>831.40</b>                    | <b>605.71</b>                    | <b>15,149.18</b>                 | <b>15,602.69</b>                 |
| Profit/ (loss) before tax (C = A-B)          | (762.75)                         | (187.96)                         | (674.43)                         | (2,971.70)                       |
| Tax expense (D)                              | 405.67                           | 331.16                           | -                                | -                                |
| <b>Profit/ (loss) for the year (E = C-D)</b> | <b>(357.08)</b>                  | <b>(539.12)</b>                  | <b>(674.43)</b>                  | <b>(2,971.70)</b>                |
| Other comprehensive income (F)               | (1.50)                           | 1.97                             | 1.72                             | 1.04                             |
| <b>Total comprehensive income (E+F)</b>      | <b>(358.57)</b>                  | <b>(537.15)</b>                  | <b>(672.71)</b>                  | <b>(2,970.66)</b>                |
| <b>Share of profit/ (loss) for the year</b>  | <b>(134.46)</b>                  | <b>(201.42)</b>                  | <b>(336.36)</b>                  | <b>(1,485.33)</b>                |

(₹ in lakhs)

| Particulars                                  | Designplus Associates Services Private Limited |                                  | DLF Garden City Indore Private Limited [till 20 March 2017] |                                  |
|--|--|----------------------------------|---|----------------------------------|
|  | For the year ended 31 March 2018               | For the year ended 31 March 2017 | For the year ended 31 March 2018                            | For the year ended 20 March 2017 |
| Revenue                                      | 1,568.10                                       | 1,790.73                         | -   | 946.97                           |
| Interest income                              | 117.65   | 41.04                            | -   | 107.81                           |
| <b>Total revenue (A)</b>                     | <b>1,685.76</b>                                | <b>1,831.77</b>                  | <b>-</b>  | <b>1,054.78</b>                  |
| Depreciation and amortisation                | 15.68  | 17.22                            | -   | 64.64                            |
| Employee benefit expense                     | 849.50   | 905.77                           | -   | 66.88                            |
| Other finance costs                          | 6.47   | 16.48                            | -   | 6.53                             |
| Other expense                                | 776.04   | 886.05                           | -   | 1,013.51                         |
| <b>Total expenses (B)</b>                    | <b>1,647.69</b>                                | <b>1,825.52</b>                  | <b>-</b>  | <b>1,151.56</b>                  |
| Profit/ (loss) before tax (C = A-B)          | 38.07  | 6.25                             | -   | (96.78)                          |
| Tax expense (D)                              | 4.56   | (18.83)                          | -   | 66.12                            |
| <b>Profit/ (loss) for the year (E = C-D)</b> | <b>42.64</b>                                   | <b>(12.58)</b>                   | <b>-</b>  | <b>(162.90)</b>                  |
| Other comprehensive income (F)               | -  | -                                | -   | 0.89                             |
| <b>Total comprehensive income (E+F)</b>      | <b>42.64</b>                                   | <b>(12.58)</b>                   | <b>-</b>  | <b>(163.79)</b>                  |
| <b>Share of profit/ (loss) for the year</b>  | <b>18.12</b>                                   | <b>(1.74)</b>                    | <b>-</b>  | <b>(59.19)</b>                   |

(₹ in lakhs)

| Particulars                                  | Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017] |                                  | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] |                                  |
|--|---|----------------------------------|--|----------------------------------|
|  | For the year ended 31 March 2018  | For the year ended 31 March 2017 | For the year ended 31 March 2018   | For the year ended 20 March 2017 |
| Revenue                                      | -   | 5,669.09                         | -  | 4,335.97                         |
| Interest income                              | -   | 1,036.00                         | -  | 166.43                           |
| <b>Total revenue (A)</b>                     | <b>-</b>  | <b>6,705.09</b>                  | <b>-</b>   | <b>4,502.40</b>                  |
| Depreciation and amortisation                | -   | 3.66                             | -  | 169.23                           |
| Employee benefit expense                     | -   | -                                | -  | 253.21                           |
| Other finance costs                          | -   | 35.43                            | -  | 2,343.09                         |
| Other expense                                | -   | 4,647.55                         | -  | 8,377.85                         |
| <b>Total expenses (B)</b>                    | <b>-</b>  | <b>4,686.64</b>                  | <b>-</b>   | <b>11,143.38</b>                 |
| Profit/ (loss) before tax (C = A-B)          | -   | 2,018.45                         | -  | (6,640.97)                       |
| Tax expense (D)                              | -   | 710.84                           | -  | -                                |
| <b>Profit/ (loss) for the year (E = C-D)</b> | <b>-</b>  | <b>1,307.61</b>                  | <b>-</b>   | <b>(6,640.97)</b>                |
| Other comprehensive income (F)               | -   | -                                | -  | 1.11                             |
| <b>Total comprehensive income (E+F)</b>      | <b>-</b>  | <b>1,307.61</b>                  | <b>-</b>   | <b>(6,642.08)</b>                |
| <b>Share of profit/ (loss) for the year</b>  | <b>-</b>  | <b>535.20</b>                    | <b>-</b>   | <b>(3,387.46)</b>                |

Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| Particulars                                  | DLF Southern Towns Private Limited [till 20 March 2017] |                                    | DCCDL Group (w.e.f. 26 December 2017 to 31 March 2018) |                                  |
|--|---|------------------------------------|--|----------------------------------|
|  | For the year ended 31 March 2018                        | For the period ended 20 March 2017 | For the period ended 31 March 2018                     | For the year ended 31 March 2017 |
| Revenue                                      | -   | (172.87)                           | 107,940.49   | -                                |
| Interest income                              | -   | 14.02                              | 30,378.09  | -                                |
| <b>Total revenue (A)</b>                     | -   | <b>(158.85)</b>                    | <b>138,318.58</b>                                      | -                                |
| Cost of facility management expenses         | -   | -                                  | 17,847.72  | -                                |
| Depreciation and amortisation                | -   | 15.89                              | 10,534.47  | -                                |
| Employee benefit expense                     | -   | 161.24                             | 2,544.19   | -                                |
| Other finance costs                          | -   | 2,819.37                           | 42,007.09  | -                                |
| Other expense                                | -   | 1,452.56                           | 24,105.26  | -                                |
| <b>Total expenses (B)</b>                    | -   | <b>4,449.06</b>                    | <b>97,038.72</b>                                       | -                                |
| Profit/ (loss) before tax (C = A-B)          | -   | <b>(4,607.91)</b>                  | <b>41,279.87</b>                                       | -                                |
| Exceptional item                             | -   | -                                  | 47.18  | -                                |
| Tax expense (D)                              | -   | (2.72)                             | 6,695.63   | -                                |
| <b>Profit/ (loss) for the year (E = C-D)</b> | -   | <b>(4,605.19)</b>                  | <b>34,631.42</b>                                       | -                                |
| Other comprehensive income (F)               | -   | 3.61                               | 55.35  | -                                |
| <b>Total comprehensive income (E+F)</b>      | -   | <b>(4,608.80)</b>                  | <b>34,686.77</b>                                       | -                                |
| <b>Share of profit/ (loss) for the year</b>  | -   | <b>(1,360.06)</b>                  | <b>23,129.14</b>                                       | -                                |

Joint Operation

| S. No. | Name of Entity                  | Associates/ joint ventures/ joint operations | Principal activities    | Principal place of business/ Country of Incorporation | Proportion of ownership (%) as at 31 March 2018 | Proportion of ownership (%) as at 31 March 2017 |
|--------|---------------------------------|--|-------------------------|---|---|---|
| 1.     | Banjara Hills Hyderabad Complex | Joint operation                              | Real estate development | India   | 50.00   | 50.00   |
| 2.     | GSG DRDL Consortium             | Joint operation                              | Real estate development | India   | 50.00   | 50.00   |

Associate

| S. No. | Name of Entity  | Associates/ joint ventures/ joint operations | Principal activities    | Principal place of business/ Country of Incorporation | Proportion of ownership (%) as at 31 March 2018 | Proportion of ownership (%) as at 31 March 2017 |
|--------|---|--|-------------------------|---|---|---|
| 1.     | DLF Homes Panchkula Private Limited                   | Associate                                    | Real estate development | India   | 39.54   | 39.54   |
| 2.     | Arizona Globalservices Private Limited (Refer note 1) | Associate                                    | Real estate development | India   | -   | -   |

(₹ in lakhs)

| Particulars   | DLF Homes Panchkula Private Limited |                  | Arizona Globalservices Private Limited |                  |
|---|-------------------------------------|------------------|--|------------------|
|   | 31 March 2018                       | 31 March 2017    | 31 March 2018                          | 31 March 2017    |
| Cash and cash equivalents   | 186.43                              | 61.02            | 43.29                                  | 3.46             |
| Other assets  | 83,747.49                           | 85,703.95        | 3,777.39                               | 4,289.42         |
| <b>Current assets (A)</b>   | <b>83,933.92</b>                    | <b>85,764.98</b> | <b>3,820.68</b>                        | <b>4,292.88</b>  |
| <b>Non-current assets (B)</b>   | <b>5,840.75</b>                     | <b>2,758.58</b>  | <b>20,060.99</b>                       | <b>18,754.45</b> |
| Current financial liabilities (excluding trade payables and provisions)     | 81,822.81                           | 69,049.13        | 826.13                                 | 197.00           |
| Trade payables and provisions   | 14,329.49                           | 14,943.56        | -                                      | -                |
| <b>Current liabilities (C)</b>  | <b>96,152.30</b>                    | <b>83,992.69</b> | <b>826.13</b>                          | <b>197.00</b>    |
| Non-current financial liabilities (excluding trade payables and provisions) | -                                   | -                | 1,103.98                               | 1,600.00         |
| Trade payables and provisions   | 33.30                               | 33.08            | -                                      | -                |
| <b>Non-current liabilities (D)</b>  | <b>33.30</b>                        | <b>33.08</b>     | <b>1,103.98</b>                        | <b>1,600.00</b>  |
| <b>Net assets (A+B-C-D)</b>   | <b>(6,410.92)</b>                   | <b>4,497.80</b>  | <b>21,951.56</b>                       | <b>21,250.33</b> |
| <b>Equity</b>   | <b>6.24</b>                         | <b>6.24</b>      | <b>20,133.00</b>                       | <b>20,133.00</b> |
| Proportion of the Group's ownership   | 39.54%                              | 39.54%           | 34.97%                                 | 34.97%           |
| Carrying amount of the investment   | (3,694.39)                          | 1,096.62         | 10,363.89                              | 10,118.94        |

(₹ in lakhs)

| Particulars                                  | DLF Homes Panchkula Private Limited |                                  | Arizona Globalservices Private Limited |                                  |
|--|-------------------------------------|----------------------------------|--|----------------------------------|
|  | For the period ended 31 March 2018  | For the year ended 20 March 2017 | For the period ended 31 March 2018     | For the year ended 31 March 2017 |
| Revenue                                      | (2,595.31)                          | 3,980.52                         | 1,843.99                               | 165.65                           |
| Other Income                                 | 51.98                               | -                                | 864.10                                 | 147.85                           |
| <b>Total revenue (A)</b>                     | <b>(2,543.34)</b>                   | <b>3,980.52</b>                  | <b>2,708.04</b>                        | <b>313.49</b>                    |
| Cost of Sales                                | 959.89                              | 5,420.79                         | 1,817.82                               | 162.39                           |
| Depreciation and amortisation                | 112.00                              | 37.40                            | -                                      | 3.33                             |
| Employee benefit expense                     | 45.22                               | 47.72                            | 13.21                                  | 8.52                             |
| Other finance costs                          | 6,286.91                            | 5,764.93                         | 99.78                                  | 9.21                             |
| Other expense                                | 965.53                              | 727.88                           | 35.60                                  | 34.71                            |
| <b>Total expenses (B)</b>                    | <b>8,369.55</b>                     | <b>11,998.72</b>                 | <b>1,966.42</b>                        | <b>218.17</b>                    |
| <b>Profit/ (loss) before tax (C=A-B)</b>     | <b>(10,912.88)</b>                  | <b>(8,018.20)</b>                | <b>741.62</b>                          | <b>95.33</b>                     |
| Tax expense (D)                              | -                                   | -                                | 40.42                                  | 31.78                            |
| <b>Profit/ (loss) for the year (E = C-D)</b> | <b>(10,912.88)</b>                  | <b>(8,018.20)</b>                | <b>701.20</b>                          | <b>63.55</b>                     |
| Other comprehensive income (F)               | 4.27                                | (7.09)                           | -                                      | -                                |
| <b>Total comprehensive income (E+F)</b>      | <b>(10,908.61)</b>                  | <b>(8,025.29)</b>                | <b>701.20</b>                          | <b>63.55</b>                     |
| <b>Share of profit/ (loss) for the year</b>  | <b>(4,313.35)</b>                   | <b>(3,173.20)</b>                | <b>245.21</b>                          | <b>21.60</b>                     |

**Notes:**

- DLF Universal Limited ('Investor') (demerged Real Estate Undertaking of DLF Universal Limited, a subsidiary Company) of the Group was holding Compulsorily Convertible Preference Shares ('CCPS') in Arizona Globalservices Private Limited ('Arizona'), being potential equity share which was not considered for control evaluation and hence, Arizona was accounted as third party investments in the previous GAAP.
- These CCPS in Arizona are open for conversion as at the transition date at the option of the Investor. If these CCPS are converted (also considering the other terms and conditions of the arrangement) between said parties, it will assure significant influence over Arizona by the Group. Hence, Arizona is classified as associate and the Group recognises its share in net assets through equity method.

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures.

**(iv) Other information**

Contingent liabilities for joint ventures and associates

(₹ in lakhs)

| Description  | 31 March 2018     | 31 March 2017 |
|--|-------------------|---------------|
| <i>Contingent liabilities – joint ventures and associates</i>  |                   |               |
| Share of contingent liabilities incurred jointly with other investors of the joint ventures and associates |                   |               |
| <b>Entity name wise listing</b>  |                   |               |
| DCCDL Group [refer note (a) below]   | 181,139.56        | -             |
| DLF Gayatri Developers   | 126.82            | -             |
| Joyous Housing Limited   | 733.13            | 422.90        |
| YG Realty Private Limited [refer note (b) below]   | 6.18              | 461.30        |
| <b>Total Amount</b>  | <b>182,005.69</b> | <b>884.20</b> |

Dividend income and information related to fair value

No dividends were received from joint ventures and associates during the year ended 31 March 2018 and 31 March 2017. All the joint ventures and associates are either private companies or closely held public companies and hence, no quoted market price available for its shares.

Note:a) As per the terms of the SPSHA mentioned in note 44 (a), the Group has undertaken to indemnify, defend and hold harmless the Investor against all losses incurred or suffered by DCCDL Group arising out of following matters up to or prior to 25 December 2017 (i.e. Closing Date):

- Income tax demands related to various matters and assessments year up to the closing date of ₹159,037.06 lakhs;

## Notes to Consolidated Financial Statements (Contd.)

- ii) Indirect tax demands including service tax and entry tax related to various matters and financial years up to the closing date of ₹20,916.36 lakhs;
- iii) During the previous years, DLF Utilities Limited ("DUL") had received a notice from the Dakshin Haryana Bijli Vitran Nigam ("DHBVN") wherein it had claimed cross subsidy surcharge of ₹ 3,328.00 lakhs on electricity being supplied by DUL to other companies for the period from 1 April 2011 to 30 September 2012 and had questioned the legality of such electricity supply. DUL filed an appeal to Haryana Electricity Regulatory Commission ("HERC"), wherein HERC vide order dated 11 August 2011 held that the supply of electricity by DUL was legal, however, DUL was liable to pay cross subsidy surcharge. Aggrieved by the said order, DUL filed an appeal before Appellate Tribunal of Electricity ("APTEL") against the levy of cross subsidy surcharge. APTEL held that the supply of electricity for commercial establishments from the main receiving panel was not in accordance with law and must be discontinued.

Further, APTEL also held that the Company was liable to pay the cross subsidy surcharge and accordingly, a demand of ₹ 3,328.00 lakhs was received by DUL from DHBVN against the same. Aggrieved by the order of APTEL, DUL filed an appeal before the Hon'ble Supreme Court of India who has stayed the execution of the said order and asked DUL to deposit an amount of ₹ 284.36 lakhs to DHBVN which has been duly deposited.

Based on the advice of the independent legal counsel, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India and accordingly no adjustment is required to be made in the financial statements at this stage.

- iv) During earlier years, Chandigarh Administration served a Show Cause Notice to one of the subsidiaries of DCCDL Group alleging that certain portion of IT Park meant to be leased out to IT/ ITES companies was leased out to non IT/ ITES companies. On the said Show Cause Notice, order dated 20 August 2010 was passed by the Estate Officer, Chandigarh to resume the site and the Subsidiary company was directed to pay misuse charges of ₹ 3,962.78 lakhs. The Subsidiary company filed an appeal before Chief Administrator, Union Territory, Chandigarh against the order of the Estate Officer, who revoked the resumption order subject to the Subsidiary company depositing the rent received on account of renting the office space to Non-IT/ ITES companies amounting to ₹ 1,352.80 lakhs. The Subsidiary company deposited the same under protest and subsequently filed a revision petition before the Advisor to the Administrator (U.T.), Chandigarh challenging the deposit of ₹ 1,352.80 lakhs which is pending disposal. The Group's liability w.r.t.in this case is restricted to share of profit in DCCDL Group i.e. 66.66%.

Based on the advice from independent legal experts and development on the revision, the management is confident that amount so deposited under protest holds good for recovery and hence, no provision is required to be made in the financial statements at this stage.

- v) The land parcel admeasuring 19.5 acres was acquired by the Company from Government of Haryana ('GoH') in August 2006 for development of Cyber City Project, which was earlier acquired by GoH from Gram Panchayat, Nathupur on February, 2004 through proceedings of compulsory acquisition. DCCDL Group had constructed certain portions of its two IT/ IT SEZ buildings of the Cyber City Project as well as entered into third party rights vide lease/ sale of office space in the said buildings. Subsequently, the Hon'ble High Court of Punjab and Haryana, pursuant to a public interest litigation, vide order dated 1 October 2010, quashed the land acquisition proceedings and Conveyance Deed by GoH and directed the GoH to refund the amount, which was earlier paid by the Company and also directed the Company to remove any construction on the said land. Against the said order, the Company filed a Special Leave Petition in November 2010 before the Hon'ble Supreme Court of India, who vide order dated 3 January 2012, stayed the order of the High Court and the matter is pending disposal before the Supreme Court of India.

Based on the advice of the independent legal counsel, the management believes that there is strong likelihood of succeeding before the Hon'ble Supreme Court of India.

- vi) The Company along with its subsidiaries had acquired a land parcel admeasuring approximately 30 acres and 7 acres, respectively from EIH Limited ('EIH') for development of IT/ ITES project at Silokhera, Gurugram, which EIH acquired from GoH. The Company constructed 2 IT/ ITES SEZ Buildings on the said land, which was sold to one of the subsidiary companies of the DCCDL Group. The Company is constructing another block of buildings on the DCCDL's behalf. The Net Block and Capital Work-in-Progress against Silokhera project appearing in DCCDL's books as at 31 March 2018 amounts to ₹ 164,250.05 lakhs (gross block of ₹ 187,490.98 lakhs) and ₹ 89,122.37 lakhs, respectively.

Subsequently, the Hon'ble High Court of Punjab and Haryana, pursuant to a public interest litigation and vide its order dated 3 February 2011 directed the GoH to carry out the acquisition proceedings again from the notification stage under the Land Acquisition Act, 1894 and directed the Company and its subsidiary to remove all constructions made on the said land. The Company filed a Special Leave Petition before the Hon'ble Supreme Court of India and the Hon'ble Supreme Court of India vide order dated 20 September 2011 stayed the order of the Hon'ble High Court and the matter is currently pending before the Hon'ble Supreme Court of India and the next date of hearing is yet to be notified by the registry.

Based on the advice of the independent legal counsel, the management believes that there is a strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decision on the above matter, no further adjustment has been made in these financial statements.

- b) During the year 31 March 2013, YG Reality Private Limited had received a notice of demand under Section 156 of the Income-tax Act, 1961 for the Assessment Year 2009-10, wherein, the Assessing Officer (AO) worked-out two situations in its Order and disallowed a part of the purchase consideration paid by the Company for acquisition of development rights of ₹ 38,512.00 lakhs in situation 1 and ₹ 3,700.00 lakhs in situation II and initiated penalty proceedings. The Appeal is pending before Income Tax Appellant Tribunal (ITAT) claiming that the CIT (A) has erred in disallowing the cost of development rights paid by the YG Reality Private Limited.

#### 48. RELATED PARTY TRANSACTIONS

**a) Holding company**

Rajdhani Investments & Agencies Private Limited (w.e.f. 12 March 2018)

**b) Subsidiaries/ Joint ventures/ Associates/ Joint operations**

Details are presented in Note 45 and 47.

**c) Key management personnel, their relatives and Other enterprises under the control of the key management personnel and their relatives:**

| Name of key management personnel | Designation                                     | Relatives  |
|----------------------------------|---|--|
| Dr. K.P. Singh                   | Chairman  | Ms. Renuka Talwar (Daughter)<br>Ms. Pia Singh (Daughter) |
| Mr. Rajiv Singh                  | Vice Chairman                                   | Ms. Anushka Singh (Daughter)                             |
| Mr. Rajeev Talwar                | CEO & Whole-time Director                       |  |
| Mr. Mohit Gujral                 | CEO & Whole-time Director                       |  |
| Mr. Ashok Kumar Tyagi            | Whole-time Director<br>(w.e.f. 1 December 2017) | Ms. Indu Tyagi Jaiswal (Sister)                          |
| Mr. Devinder Singh               | Whole-time Director<br>(w.e.f. 1 December 2017) |  |

**Other enterprises under the control of the key management personnel and their relatives:**

| S. No. | Name of Entity   |
|--------|--|
| 1.     | A.S.G. Realcon Private Limited   |
| 2.     | Adampur Agricultural Farm  |
| 3.     | Adept Real Estate Developers Private Limited                           |
| 4.     | AGS Buildtech Private Limited  |
| 5.     | Alfa Investments Global Limited  |
| 6.     | Angus Builders & Developers Private Limited                            |
| 7.     | Antriksh Properties Private Limited                                    |
| 8.     | Anubhav Apartments Private Limited                                     |
| 9.     | Arihant Housing Company*   |
| 10.    | Atria Partners   |
| 11.    | B&M Hotbreads Private Limited  |
| 12.    | Beckon Investments Company Limited                                     |
| 13.    | Belicia Builders & Developers Private Limited                          |
| 14.    | Beverly Builders LLP   |
| 15.    | Buland Consultants & Investments Private Limited [till 7 March 2018]## |
| 16.    | Carreen Builders & Developers Private Limited [till 31 August 2017]**  |
| 17.    | Centre Point Property Management Services LLP                          |
| 18.    | CGS Charitable Trust   |
| 19.    | Ch. Lal Chand Memorial Charitable Trust                                |
| 20.    | Cian Retail Private Limited  |
| 21.    | Das Retail Private Limited [till 31 August 2017]**                     |
| 22.    | DBL Kidskart Online Private Limited                                    |
| 23.    | Delanco Buildcon Private Limited                                       |
| 24.    | Desent Promoters & Developers Private Limited                          |
| 25.    | Diana Retail Private Limited [till 31 August 2017]**                   |
| 26.    | DLF Brands Limited   |

| S. No. | Name of Entity  |
|--------|---|
| 27.    | DLF Building & Services Private Limited   |
| 28.    | DLF Commercial Enterprises  |
| 29.    | DLF Employees Welfare Trust   |
| 30.    | DLF Foundation  |
| 31.    | DLF Investments Private Limited [till 7 March 2018]#  |
| 32.    | DLF M.T.FBD Medical and Community Facilities Charitable Trust   |
| 33.    | DLF Q.E.C. Educational Charitable Trust   |
| 34.    | DLF Q.E.C. Medical Charitable Trust   |
| 35.    | DLF Raghvendra Temple Trust   |
| 36.    | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] |
| 37.    | Dreamweaver Investment and Business Solutions Private Limited   |
| 38.    | Elephanta Estates Private Limited   |
| 39.    | Eros Retail Private Limited   |
| 40.    | Excalibur Capital [w.e.f. 12 December 2017]   |
| 41.    | Excel Housing Construction LLP  |
| 42.    | Exe. of The Estate of Lt. Ch. Raghvendra Singh  |
| 43.    | Exotic R - Online Fashion Private Limited [till 31 August 2017]**   |
| 44.    | First City Management Company Private Limited [till 31 March 2017]  |
| 45.    | Gangrol Agricultural Farm & Orchard   |
| 46.    | General Marketing Corporation   |
| 47.    | Giorgio Armani India Private Limited  |
| 48.    | Glensdale Enterprise Development Private Limited  |
| 49.    | Good Luck Trust   |
| 50.    | Gujral Design Plus Overseas Private Limited   |

## Notes to the Consolidated Financial Statements (Contd.)

| S. No. | Name of Entity  |
|--------|---|
| 51.    | Haryana Electrical Udyog Private Limited [till 7 March 2018]### |
| 52.    | Herminda Builders & Developers LLP                              |
| 53.    | Hitech Property Developers Private Limited                      |
| 54.    | IKPS Family Trust   |
| 55.    | Indira Trust  |
| 56.    | Ishtar Retail LLP   |
| 57.    | Jhandewalan Ancillaries LLP                                     |
| 58.    | JSF Food Private Limited  |
| 59.    | Jubilant Brands Private Limited                                 |
| 60.    | Jubilant Consumer Private Limited                               |
| 61.    | Juno Retail Private Limited [till 31 August 2017]**             |
| 62.    | K.P. Singh HUF  |
| 63.    | Kapo Retail Private Limited [till 31 August 2017]**             |
| 64.    | Kiko Cosmetics Retail Private Limited                           |
| 65.    | Kohinoor Real Estates Company* [till 12 March 2018]###          |
| 66.    | KPS Family Trust  |
| 67.    | K.P. Singh Foundation Trust [w.e.f. 7 March 2018]               |
| 68.    | K.P. Singh Charitable Foundation Trust [w.e.f. 27 March 2018]   |
| 69.    | Krishna Public Charitable Trust                                 |
| 70.    | Lal Chand Public Charitable Trust                               |
| 71.    | Lion Brand Poultries  |
| 72.    | Madhukar Housing and Development Company*                       |
| 73.    | Madhur Housing and Development Company* [till 7 March 2018]#    |
| 74.    | Mallika Housing Company LLP                                     |
| 75.    | Megha Estates Private Limited [till 7 March 2018]#              |
| 76.    | Mohit Design Management Private Limited                         |
| 77.    | Nachiketa Family Trust  |
| 78.    | Northern India Theatres Private Limited                         |
| 79.    | Panchsheel Investment Company* [till 7 March 2018]##            |
| 80.    | Paramhansa Yogananda Public Charitable Trust                    |
| 81.    | Parvati Estates LLP   |
| 82.    | Pia Pariwar Trust   |
| 83.    | Plaza Partners  |
| 84.    | Power Housing and Developers Private Limited                    |
| 85.    | Prem Traders LLP  |
| 86.    | Prem's Will Trust   |
| 87.    | Prima Associates Private Limited                                |
| 88.    | Pushpak Builders and Developers Private Limited                 |
| 89.    | Quorum Club LLP [w.e.f. 20 April 2017]                          |
| 90.    | R.R Family Trust  |
| 91.    | Raghvendra Public Charitable Trust                              |
| 92.    | Raisina Agencies LLP  |
| 93.    | Rajdhani Investments & Agencies Private Limited                 |
| 94.    | Realest Builders and Services Private Limited                   |
| 95.    | Renkon Overseas Development Limited                             |
| 96.    | Renkon Partners   |

| S. No. | Name of Entity   |
|--------|--|
| 97.    | Renuka Pariwar Trust   |
| 98.    | Rhea Retail Private Limited  |
| 99.    | Rod Retail Private Limited   |
| 100.   | Sabre Capital Worldwide  |
| 101.   | Sabre Investment Advisor India Private Limited                     |
| 102.   | Sabre Investment Consultants LLP                                   |
| 103.   | Sambhav Housing and Development Company*                           |
| 104.   | Sarna Exports International  |
| 105.   | Sarna Exports Limited  |
| 106.   | Satish Gujral  |
| 107.   | Sidhant Housing and Development Company* [till 7 March 2018]##     |
| 108.   | Singh Family Trust   |
| 109.   | Sketch Promoters and Developers Private Limited                    |
| 110.   | Skills Academy Private Limited                                     |
| 111.   | Skills Education Private Limited                                   |
| 112.   | Skills for India   |
| 113.   | Smt. Savitri Devi Memorial Charitable Trust                        |
| 114.   | Solace Housing and Construction Private Limited                    |
| 115.   | Solange Retail Private Limited                                     |
| 116.   | Span Fashions Limited  |
| 117.   | Sudarshan Estates LLP  |
| 118.   | Sukh Sansar Housing Private Limited                                |
| 119.   | Sunrise BPO Services Pte Ltd.                                      |
| 120.   | Super Mart Two Property Management Services LLP                    |
| 121.   | Trinity Housing and Construction Company*                          |
| 122.   | Udyan Housing and Development Company*                             |
| 123.   | Universal Management and Sales LLP                                 |
| 124.   | Uttam Builders and Developers Private Limited                      |
| 125.   | Uttam Real Estates Company*  |
| 126.   | Vishal Foods and Investments Private Limited [till 7 March 2018]#  |
| 127.   | Wagishwari Estates Private Limited                                 |
| 128.   | Yashika Properties and Development Company* [till 7 March 2018]### |
| 129.   | Yogananda Films LLP  |
| 130.   | Zigma Processing and Manufacturing Private Limited                 |

\* A private company with unlimited liability.

\*\* These entities have been merged with DLF Brands Limited.

# Pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, these companies have been merged with Kohinoor Real Estates Company w.e.f. 7 March 2018.

## Pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, these companies have been merged with Rajdhani Investments & Agencies Private Limited w.e.f. 7 March 2018.

### Pursuant to the order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the company has been merged with Rajdhani Investments & Agencies Private Limited w.e.f. 12 March 2018.

d) The following transaction were carried out with related parties in the ordinary course of business:

(₹ in lakhs)

| Description  | 31 March 2018   | 31 March 2017   |
|--|-----------------|-----------------|
| Salaries, wages and bonus (including Employee Shadow Option Scheme (cash settled options)) | 5,361.42        | 3,704.07        |
| Post-employment benefits   | 62.64           | 88.61           |
| <b>Total compensation</b>  | <b>5,424.06</b> | <b>3,792.68</b> |

(₹ in lakhs)

| Description                     | Joint Ventures |               | Associates    |               |
|---------------------------------|----------------|---------------|---------------|---------------|
|                                 | 31 March 2018  | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Interest income                 | 15,024.36      | 14,869.78     | 5,765.54      | 5,135.53      |
| Development charges             | 4,422.33       | -             | -             | -             |
| Rent received                   | 377.19         | -             | -             | -             |
| Expenses recovered              | 1,513.44       | 0.58          | 75.46         | 55.38         |
| Expenses paid                   | 7,052.27       | 199.74        | -             | -             |
| Interest paid                   | 25,243.71      | 980.02        | -             | -             |
| Rent Paid                       | 439.27         | -             | -             | -             |
| Miscellaneous receipts (income) | 45,816.55      | 4,835.20      | -             | -             |
| Royalty Income                  | -              | -             | (330.36)      | (691.68)      |
| Loans and advances given        | 61,361.25      | 5,567.00      | 7,176.00      | 9,639.00      |
| Loans and advances refunded     | 96,560.01      | 1,750.00      | -             | -             |
| Loans taken                     | 50,580.00      | -             | -             | -             |
| Loans refunded back             | 87,618.00      | -             | -             | -             |
| Investments purchased           | -              | 2,250.14      | -             | -             |
| Investments sold                | -              | 68,512.42     | -             | -             |
| Advances Given                  | -              | 6,215.00      | -             | -             |

(₹ in lakhs)

| Description                                    | KMP and their relatives |               | Enterprises over which KMP is able to exercise significant influence |               |
|--|-------------------------|---------------|--|---------------|
|  | 31 March 2018           | 31 March 2017 | 31 March 2018  | 31 March 2017 |
| Rent and license fee received                  | -                       | -             | 1,199.22   | 2,055.53      |
| Salary   | -                       | 97.24         | -  | -             |
| Directors fees and commission                  | 37.50                   | 38.02         | -  | -             |
| Expenses recovered                             | -                       | -             | 14.89  | 27.77         |
| Expenses paid                                  | -                       | -             | 1,790.83   | 1,392.01      |
| Warrant subscribed                             | -                       | -             | 75,010.36  | -             |
| Compulsorily convertible debentures subscribed | -                       | -             | 825,000.00   | -             |
| Interest paid                                  | -                       | -             | 87.05  | 152.91        |
| Rent paid                                      | -                       | -             | 130.46   | 430.71        |
| Miscellaneous receipts (income)                | 79.94                   | 138.93        | 2,780.52   | 3,599.72      |
| Purchase of land                               | -                       | -             | 350.11   | -             |
| Advance received under agreement to sell*      | 240.51                  | 3,226.63      | 109.05   | 1,768.10      |
| Guarantees given (net)                         | -                       | -             | (263.81)   | 51.75         |

\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.



## Notes to Consolidated Financial Statements (Contd.)

### e) Balance at the end of the year

(₹ in lakhs)

| Description                                | Joint Ventures |               | Associates    |               |
|--|----------------|---------------|---------------|---------------|
|  | 31 March 2018  | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Investments*                               | 1,959,309.46   | 101,905.75    | 19,250.80     | 19,738.76     |
| Advance received under agreement to sell** | 7,950.19       | 38,512.50     | -             | -             |
| Unsecured loan taken                       | 793,452.48     | -             | -             | -             |
| Interest payable                           | 83,785.33      | -             | -             | -             |
| Trade/ amount payables (net)               | 7,202.49       | 6.29          | -             | -             |
| Security deposit received                  | 559.95         | -             | -             | -             |
| Security deposit paid                      | 46,707.16      | -             | -             | -             |
| Loans and advances given                   | 75,245.55      | 57,239.10     | 68,492.95     | 56,058.57     |
| Trade receivables                          | 1,186.12       | -             | 8,875.62      | 8,958.57      |
| Guarantees given                           | 126,036.47     | -             | -             | -             |

\* Excluding profits/ (loss)

\*\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

(₹ in lakhs)

| Description  | KMP and their relatives |               | Enterprises over which KMP is able to exercise significant influence |               |
|--|-------------------------|---------------|--|---------------|
|  | 31 March 2018           | 31 March 2017 | 31 March 2018  | 31 March 2017 |
| Warrant  | -                       | -             | 75,010.36  | -             |
| Compulsorily convertible debentures  | -                       | -             | 825,000.00   | -             |
| Investments*   | -                       | -             | 477.03   | 865.92        |
| Earnest money and part payments under agreement to purchase land/ constructed properties | -                       | -             | 255.59   | 255.59        |
| Advance received under agreement to sell**   | 16,301.40               | 15,708.88     | 54,670.40  | 54,561.34     |
| Trade/ amount payables (net)   | 1,280.68                | 1,025.57      | 2.77   | 41.87         |
| Interest payable   | -                       | -             | 18.79  | -             |
| Security deposit received  | -                       | -             | 385.22   | 879.84        |
| Guarantees given   | -                       | -             | 2,793.19   | 3,057.00      |
| Loans and advances given   | 2,300.00                | 2,300.00      | 41.65  | 942.25        |
| Trade receivables  | -                       | 62.17         | 766.88   | 1,229.00      |

\* Excluding profits/ (loss)

\*\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

### f) Above includes the following material transactions:

(₹ in lakhs)

| Description  | Key management personnel |               |               |
|--|--------------------------|---------------|---------------|
|  | Name of the Director     | 31 March 2018 | 31 March 2017 |
| <b>Transactions during the year</b>  |                          |               |               |
| Salaries, wages and bonus (including Employee Shadow Option Scheme (cash settled options)) | Dr. K.P. Singh           | 1,052.95      | 680.86        |
|  | Mr. Rajiv Singh          | 544.17        | 548.73        |
|  | Mr. Rajeev Talwar        | 624.29        | 623.62        |
|  | Mr. Mohit Gujral         | 2,726.40      | 1,520.03      |
| Post-employment benefits   | Dr. K.P. Singh           | 12.61         | 12.61         |
|  | Mr. Rajeev Talwar        | 3.09          | 14.59         |
|  | Mr. Mohit Gujral         | 25.48         | 31.21         |
|  | Mr. Ashok Kumar Tyagi    | 8.33          | -             |
|  | Mr. Devinder Singh       | 15.68         | -             |

(₹ in lakhs)

| Description                      | Joint ventures#  |                    |               |
|----------------------------------|--|--------------------|---------------|
|                                  | Transactions during the year   | Name of the entity | 31 March 2018 |
| Interest income                  | YG Realty Private Limited  | 3,927.32           | 956.25        |
|                                  | DLF Midtown Private Limited  | 265.79             | 1,446.93      |
|                                  | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] | -                  | 2,263.06      |
|                                  | Joyous Housing Limited   | 8,076.58           | 6,820.45      |
|                                  | DLF Cyber City Developers Limited  | 2,318.71           | -             |
|                                  | DLF Southern Towns Private Limited [till 20 March 2017]  | -                  | 2,818.82      |
| Development charges              | DLF Assets Private Limited   | 4,422.33           | -             |
| Rent received                    | DLF Assets Private Limited   | 197.53             | -             |
|                                  | DLF Power & Services Limited   | 117.43             | -             |
| Expenses recovered               | DLF Assets Private Limited   | 1,233.65           | -             |
|                                  | DLF Garden City Indore Private Limited [w.e.f. 21 March 2017]                                      | -                  | 0.11          |
|                                  | DLF Southern Towns Private Limited [till 20 March 2017]  | -                  | 0.47          |
| Expenses paid                    | Designplus Associates Services Private Limited   | 137.02             | 199.74        |
|                                  | DLF Cyber City Developers Limited  | 1,481.87           | -             |
|                                  | DLF Power & Services Limited   | 5,266.52           | -             |
| Interest paid                    | Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017]  | -                  | 962.68        |
|                                  | DLF Cyber City Developers Limited  | 10,652.18          | -             |
|                                  | DLF Assets Private Limited   | 10,643.78          | -             |
| Rent paid                        | DLF Cyber City Developers Limited  | 153.20             | -             |
|                                  | DLF Power & Services Limited   | 229.83             | -             |
| Miscellaneous receipts (income)# | YG Realty Private Limited  | 8,978.08           | 4,780.57      |
|                                  | DLF Midtown Private Limited  | 21,380.23          | -             |
|                                  | DLF Urban Private Limited  | 14,493.55          | -             |
| Loans and advances given         | DLF Gayatri Home Developers Private Limited  | 26.25              | 79.00         |
|                                  | DLF Midtown Private Limited  | 2,500.00           | -             |
|                                  | DLF Urban Private Limited  | 8,835.00           | -             |
|                                  | DLF Cyber City Developers Limited  | 50,000.00          | -             |
|                                  | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] | -                  | 2,609.00      |
|                                  | DLF Southern Towns Private Limited [till 20 March 2017]  | -                  | 2,864.00      |
| Loans and advances refunded      | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] | -                  | 1,750.00      |
|                                  | DLF Urban Private Limited  | 8,835.00           | -             |
|                                  | DLF Cyber City Developers Limited  | 55,900.00          | -             |
|                                  | Joyous Housing Limited   | 31,825.01          | -             |
| Loans taken                      | DLF Assets Private Limited   | 50,000.00          | -             |
| Loans refunded back              | DLF Assets Private Limited   | 31,600.00          | -             |
|                                  | DLF Cyber City Developers Limited  | 56,018.00          | -             |
| Investments purchased            | DLF Midtown Private Limited  | -                  | 750.05        |
|                                  | DLF Urban Private Limited  | -                  | 1,500.09      |

Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| Description          | Joint ventures               |  |               |               |
|----------------------|------------------------------|--|---------------|---------------|
|                      | Transactions during the year | Name of the entity   | 31 March 2018 | 31 March 2017 |
| Investment sold      |                              | YG Realty Private Limited  | -             | 2,250.00      |
|                      |                              | Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] | -             | 56,788.16     |
|                      |                              | Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017]  | -             | 9,474.26      |
| Advances given (net) |                              | Joyous Housing Limited   | -             | 6,215.00      |

(₹ in lakhs)

| Description              | Associates                   |                                     |               |               |
|--------------------------|------------------------------|-------------------------------------|---------------|---------------|
|                          | Transactions during the year | Name of the entity                  | 31 March 2018 | 31 March 2017 |
| Interest income          |                              | DLF Homes Panchkula Private Limited | 5,765.54      | 5,135.53      |
| Expenses recovered#      |                              | DLF Homes Panchkula Private Limited | 75.46         | 55.38         |
| Royalty Income           |                              | DLF Homes Panchkula Private Limited | (330.36)      | (691.68)      |
| Loans and advances given |                              | DLF Homes Panchkula Private Limited | 7,176.00      | 9,639.00      |

# Figures shown above are net of service tax/ GST

(₹ in lakhs)

| Description                               | Key Management Personnel (KMP) and their relatives |                                |               |               |
|---|--|--------------------------------|---------------|---------------|
|   | Transactions during the year                       | Name of the Director/ Relative | 31 March 2018 | 31 March 2017 |
| Salary and wages                          |  | Ms. Renuka Talwar              | -             | 97.24         |
| Director fees and commission              |  | Ms. Pia Singh                  | 37.50         | 38.02         |
| Miscellaneous income                      |  | Mr. Rajiv Singh                | -             | 84.57         |
|   |  | Ms. Renuka Talwar              | 62.05         | 33.77         |
|   |  | Ms. Pia Singh                  | 17.89         | 20.44         |
| Advance received under agreement to sell* |  | Ms. Pia Singh                  | -             | 1,375.89      |
|   |  | Ms. Anushka Singh              | -             | 1,068.94      |
|   |  | Mr. Mohit Gujral               | -             | 780.62        |
|   |  | Mr. Rajeev Talwar              | 52.50         | -             |
|   |  | Mr. Ashok Kumar Tyagi          | 7.50          | -             |
|   |  | Ms. Indu Tyagi Jaiswal         | 180.51        | -             |

\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

(₹ in lakhs)

| Description         | Enterprises over which KMP is able to exercise significant influence |   |               |               |
|---------------------|--|---|---------------|---------------|
|                     | Transactions during the year   | Name of the entity                      | 31 March 2018 | 31 March 2017 |
| Rent received       |  | Diana Retail Private Limited            | -             | 235.39        |
|                     |  | DLF Brands Limited                      | 238.31        | 518.48        |
|                     |  | Rhea Retail Private Limited             | 332.61        | 395.93        |
|                     |  | Ferragamo Retail India Private Limited  | 286.57        | 379.02        |
| Expenses recovered# |  | DLF Building & Services Private Limited | 5.23          | 16.44         |
|                     |  | DLF Brands Limited                      | 3.99          | 0.89          |
|                     |  | Diana Retail Private Limited            | -             | 2.87          |
|                     |  | Rhea Retail Private Limited             | 3.52          | 3.02          |
|                     |  | Ferragamo Retail India Private Limited  | -             | 3.73          |
| Expenses paid       |  | DLF Foundation                          | 1,266.00      | 685.00        |
|                     |  | Renkon Partners                         | 174.19        | 178.56        |
|                     |  | DLF Commercial Enterprises              | 121.51        | 159.22        |
|                     |  | Atria Partners                          | 151.92        | 187.46        |

(₹ in lakhs)

| Description                                    | Enterprises over which KMP is able to exercise significant influence  |                    |               |
|--|---|--------------------|---------------|
|  | Transactions during the year  | Name of the entity | 31 March 2018 |
| Warrant subscribed                             | Rajdhani Investments & Agencies Private Limited   | 67,510.36          | -             |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 7,500.00           | -             |
| Compulsorily convertible debentures subscribed | Rajdhani Investments & Agencies Private Limited   | 795,000.00         | -             |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 30,000.00          | -             |
| Interest paid                                  | Diana Retail Private Limited  | -                  | 123.64        |
|  | DLF Brands Limited  | -                  | 5.54          |
|  | Rhea Retail Private Limited   | -                  | 1.57          |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 49.01              | -             |
|  | Rajdhani Investments & Agencies Private Limited   | 19.74              | -             |
|  | Mallika Housing Company LLP   | 9.37               | -             |
|  | Ferragamo Retail India Private Limited  | -                  | 19.86         |
| Rent paid#                                     | DLF Q.E.C. Educational Charitable Trust   | 25.28              | 227.52        |
|  | DLF Q.E.C. Medical Charitable Trust   | 5.25               | 69.22         |
|  | Renkon Partners   | 39.80              | 53.32         |
|  | DLF Commercial Enterprises  | 30.00              | 40.26         |
|  | Atria Partners  | 14.75              | 19.76         |
|  | Plaza Partners  | 15.39              | 20.62         |
| Miscellaneous income                           | Renkon Partners   | 800.96             | 1,009.18      |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 396.71             | 664.71        |
|  | Atria Partners  | 428.43             | 549.87        |
|  | DLF Commercial Enterprises  | 570.31             | 537.13        |

# Figures shown above are net of service tax/ GST

(₹ in lakhs)

| Description                                | Enterprises over which KMP is able to exercise significant influence  |                    |               |
|--|---|--------------------|---------------|
|  | Transactions during the year  | Name of the entity | 31 March 2018 |
| Advance received/ under agreement to sell* | Realest Builders & Services Private Limited   | -                  | 380.26        |
|  | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 109.00             | -             |
|  | A.S.G. Realcon Private Limited  | -                  | 380.26        |
|  | Jhandewalan Ancillaries LLP   | -                  | 205.11        |
|  | Raisina Agencies LLP  | -                  | 248.55        |
|  | AGS Buildtech Private Limited   | -                  | 380.26        |
| Purchase of land                           | Realest Builders & Services Private Limited   | 350.11             | -             |
| Guarantees given (net)                     | DLF Brands Limited  | (263.81)           | 51.75         |

\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| Description                               | Joint Ventures#                                |                    |               |
|---|--|--------------------|---------------|
|   | Balance at the end of the year                 | Name of the entity | 31 March 2018 |
| Investments in shares                     | YG Realty Private Limited                      | 54,629.76          | 44,665.34     |
|   | Joyous Housing Limited                         | 6,109.56           | 6,109.56      |
|   | Designplus Associates Services Private Limited | 5,000.00           | 5,000.00      |
|   | DLF Cyber City Developers Limited              | 1,789,338.22       | -             |
|   | DLF Midtown Private Limited                    | 72,553.33          | 33,676.76     |
|   | DLF Urban Private Limited                      | 31,677.59          | 12,453.09     |
| Advance received under agreement to sell* | YG Realty Private Limited                      | -                  | 38,512.50     |
|   | DLF Assets Private Limited                     | 7,950.19           | -             |
| Unsecured loan taken                      | DLF Assets Private Limited                     | 332,115.00         | -             |
|   | DLF Cyber City Developers Limited              | 322,323.00         | -             |
| Interest payable                          | DLF Assets Private Limited                     | 31,098.45          | -             |
|   | DLF Cyber City Developers Limited              | 39,725.46          | -             |
| Trade/ amount payables (net)              | DLF Cyber City Developers Limited              | 1,478.58           | -             |
|   | DLF Power & Services Limited                   | 5,335.60           | -             |
| Security deposit received                 | DLF Cyber City Developers Limited              | 388.19             | -             |
|   | DLF Power & Services Limited                   | 171.76             | -             |
| Security deposit paid                     | DLF Assets Private Limited                     | 46,145.00          | -             |
| Loans and advances given                  | DLF Cyber City Developers Limited              | 46,660.45          | -             |
|   | Joyous Housing Limited                         | 24,560.27          | 53,256.26     |
| Trade receivables                         | DLF Assets Private Limited                     | 295.48             | -             |
|   | DLF Cyber City Developers Limited              | 742.55             | -             |
| Guarantees given                          | DLF Assets Private Limited                     | 98,944.60          | -             |
|   | DLF Cyber City Developers Limited              | 24,181.87          | -             |

\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

(₹ in lakhs)

| Description              | Associates                             |                    |               |
|--------------------------|--|--------------------|---------------|
|                          | Balance at the end of the year         | Name of the entity | 31 March 2018 |
| Investments in shares    | DLF Homes Panchkula Private Limited    | 9,250.79           | 9,738.76      |
|                          | Arizona Globalservices Private Limited | 10,000.00          | 10,000.00     |
| Loans and advances given | DLF Homes Panchkula Private Limited    | 68,423.36          | 56,058.37     |
| Trade receivables        | DLF Homes Panchkula Private Limited    | 8,875.62           | 8,958.57      |

(₹ in lakhs)

| Description                               | KMP and their relatives        |                    |               |
|---|--------------------------------|--------------------|---------------|
|   | Balance at the end of the year | Name of the entity | 31 March 2018 |
| Advance received under agreement to sell* | Ms. Anushka Singh              | 3,078.86           | 3,078.86      |
|   | Ms. Pia Singh                  | 6,266.00           | 6,266.00      |
|   | Mr. Mohit Gujral               | 4,953.57           | 4,953.57      |
| Loans and advances given                  | Mr. Mohit Gujral               | 2,300.00           | 2,300.00      |
| Trade receivables                         | Ms. Renuka Talwar              | -                  | 38.66         |
|   | Ms. Pia Singh                  | -                  | 23.51         |
| Trade payables/ amounts payable (net)     | Dr. K.P. Singh                 | 350.00             | 349.64        |
|   | Mr. Rajiv Singh                | 359.25             | 350.09        |
|   | Mr. Rajeev Talwar              | 325.00             | 325.00        |

\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

(₹ in lakhs)

| Description   | Enterprises over which KMP is able to exercise significant influence  |                    |               |
|---|---|--------------------|---------------|
|   | Balance at the end of the year  | Name of the entity | 31 March 2018 |
| Warrant   | Rajdhani Investments & Agencies Private Limited   | 67,510.36          | -             |
|   | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 7,500.00           | -             |
| Compulsorily convertible debentures   | Rajdhani Investments & Agencies Private Limited   | 795,000.00         | -             |
|   | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 30,000.00          | -             |
| Investments   | DLF Brands Limited  | 460.00             | 848.80        |
| Earnest money and part payments under agreement to purchase land/constructed properties | DLF Building & Services Private Limited   | 221.43             | 221.43        |
| Advance received under agreement to sell*   | Realest Builders & Services Private Limited   | 5,593.57           | 5,593.57      |
|   | Raisina Agencies LLP  | 5,648.65           | 5,648.65      |
|   | DLF Urva Real Estate Developers & Services Private Limited [Formerly Urva Real Estate Developers Private Limited] | 31,482.99          | 31,373.98     |
| Trade payables/ amounts payable   | DLF Commercial Enterprises  | 1.69               | 9.99          |
|   | Atria Partners  | -                  | 11.06         |
|   | Renkon Partners   | -                  | 12.25         |
|   | DLF Q.E.C. Medical Charitable Trust   | -                  | 0.58          |
|   | Juno Retail Private Limited   | -                  | 5.32          |
|   | Elephanta Estates Private Limited   | 0.36               | -             |
|   | Sarna Export International  | 0.32               | -             |
|   | DLF Building & Services Private Limited   | 0.22               | -             |
|   | Jhandewalan Ancillaries LLP   | 0.18               | -             |
| Interest payable  | Rajdhani Investments & Agencies Private Limited   | 18.12              | -             |
| Security deposit received   | DLF Brands Limited  | 133.88             | 181.29        |
|   | Rhea Retail Private Limited   | 127.26             | 193.88        |
|   | Diana Retail Private Limited  | -                  | 70.58         |
|   | Kiko Cosmetics Retail Private Limited [formerly DBL Cosmetics Private Limited]                                    | 15.43              | 68.23         |
|   | DLF Building & Services Private Limited   | 52.28              | -             |
| Guarantees given (net)  | DLF Brands Limited  | 2,793.19           | 3,057.00      |
| Loans and advances given  | DLF Brands Limited  | 42.23              | 42.23         |
|   | Gujral Design Plus Overseas Private Limited   | -                  | 900.00        |
| Trade receivables   | Rhea Retail Private Limited   | 377.15             | 376.38        |
|   | DLF Brands Limited  | 241.92             | 312.41        |
|   | Rod Retail Private Limited  | 82.19              | 61.80         |
|   | Eros Retail Private Limited   | -                  | 245.69        |

\* Revenue has been recognized as per the percentage of completion method {refer accounting policy on revenue} on a project as a whole and not on individual basis.

## Notes to Consolidated Financial Statements (Contd.)

### 49. CONTINGENT LIABILITIES, COMMITMENTS AND LITIGATIONS

#### (A) Details of contingent liabilities

(₹ in lakhs)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| <b>A Under litigation</b>  |               |               |
| I Demand in excess of provisions (pending in appeals):                               |               |               |
| Income-tax   | 628,398.77    | 683,328.51    |
| Other taxes  | 44,240.16     | 79,959.26     |
| II Claims against the Group (including unasserted claims) not acknowledged as debts* | 114,506.91    | 130,619.57    |
| <b>B Others</b>  |               |               |
| I Guarantees on behalf of third parties  | 128,834.91    | 3,062.25      |
| II Liabilities under export obligations in EPCG scheme                               | 511.39        | 4,562.35      |
| III Other undertaking  | 90,000.00     | -             |

\* Interest and claims by customers/ suppliers may be payable as and when the outcome of the related matters are finally determined and hence not been included above. Management based on legal advice and historical trends, believes that no material liability will devolve on the Group in respect of these matters.

- As already reported, in the earlier year, disallowance of SEZ profits u/s 80IAB of the Income-tax Act, 1961 were made by the Income Tax Authorities during the assessments of the Company and its certain subsidiaries raising demands amounting to ₹ 1,056.00 lakhs for Assessment Year 2014-15; ₹ 7,750.00 lakhs for the Assessment Year 2013-14, ₹ 27,305.55 lakhs for the Assessment Year 2011-12; ₹ 30,578.57 lakhs for the Assessment Year 2010-11; ₹ 138,713.13 lakhs for the Assessment Year 2009-10 and ₹ 164,341.12 lakhs for the Assessment Year 2008-09, respectively.

The Company and its respective subsidiary companies had filed appeals before the appropriate appellate authorities against these demands for the said assessment years. In certain cases partial/ full relief has been granted by the Appellate Authorities (CIT Appeal & Income Tax Appellate Tribunal). The Company, its respective subsidiaries and Income Tax Department have further preferred appeals before the higher authorities in those cases.

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

- Other than matter mentioned in point no. 1 above, the Income Tax Authorities have raised demands on account of various disallowances pertaining to different assessment years. The Group is contesting these demands, which are pending at various appellate levels.

Based on the advice from independent tax experts and the development on the appeals, the management is confident that additional tax so demanded as mentioned in point (1) and (2) above will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these consolidated financial statements.

- There are various disputes pending with the authorities of excise, customs, service tax, sales tax, VAT etc. The Group is contesting these demands raised by authorities and are pending at various appellate authorities.

Based on the grounds of the appeals and advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the various authorities. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial statements.

- There are various litigations going on against the Group primarily by Competition Commission of India and in Consumer Redressal Forum, which has been contested by the Group.

Based on the grounds of the appeals and advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the various authorities. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial statements.

- Interest and claims by customers/ suppliers may be payable as and when the outcome of the related matters are finally determined and hence not been included above. Management based on legal advice and historical trends, believes that no material liability will devolve on the Group in respect of these matters.
- One of the subsidiary companies, has provided the said property as security in favour of Oriental Bank of Commerce by way of mortgage in respect of the Term Loan facility of ₹ 39,096.40 lakhs (previous year ₹ 40,000.00 lakhs) availed by DLF Assets Private Limited, a joint venture of Company.
- In terms of the Put Option agreement(s) dated 15 May 2014 executed among one of the subsidiary companies, Axis Trustee Services Limited (the "Debenture Trustee") and two subsidiaries of a Joint Venture entity ("the Issuers"), the subsidiary company has provided a Put Option to the holders of Secured, Rated, Listed, Redeemable Non-Convertible Debentures of face value of

₹ 10 lakhs each having coupon rate of 10.90% per annum payable on monthly rests under Commercial Mortgage Backed Securities Structures (“NCD”) issued by the “Issuers” whereby, the “Debenture Trustee” shall have the right to require the Company to purchase all the NCDs in the event the “Issuers” are unable to meet their top up obligation under the Trust Deed(s) executed among the “Issuers” and “Debenture Trustee”. The amount involved arising out of Put Option is ₹ 90,000.00 lakhs in respect of the NCDs issued by the subsidiaries of a joint venture entity.

## (B) Capital and other commitments

(₹ in lakhs)

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| I Capital commitments (for property, plant and equipment’s and investment properties)  | 7,634.45      | 403,639.30    |
| II Other commitments   | 2,585.85      | 9,046.40      |
| III The Group has undertaken to provide continued financial support to its joint ventures and associates as and when required.                       |               |               |
| IV Some commitment regarding payments under development agreements with certain third party entities with which development agreements are in place. |               |               |

## (C) Certain other matters pending in litigation with Courts/ Appellate authorities

- a) (i) The Competition Commission of India (CCI) on a complaint filed by the Belaire/ Park Place owners Association had passed orders dated 12 August 2011 and 29 August 2011 wherein the CCI had imposed a penalty of ₹ 63,000.00 lakhs on DLF Limited (“DLF” or “the Company”) or, restraining DLF from formulating and imposing allegedly unfair conditions with buyers in Gurugram and further ordered to suitably modify the alleged unfair conditions on its buyers.

The said orders of CCI were challenged by DLF on several grounds by filing appeals before the Competition Appellate Tribunal (COMPAT). The COMPAT, pending hearing and till final orders had granted stay on demand of penalty of ₹ 63,000.00 lakhs imposed by CCI.

COMPAT vide its order dated 19 May 2014 accepted the arguments of DLF that since the agreements were entered into prior to coming into force of Section 4 of the Competition Act, the clauses of the agreements entered in 2006-07 could not be looked into for establishing contravention of Section 4 of the Competition Act, however COMPAT held that the Company is a dominant player in Gurugram being the relevant market and has abused its dominant position in relation to certain actions which is violative of Section 4 of the Competition Act and has accordingly upheld the penalty imposed by CCI.

COMPAT further held that CCI could not have directed modifications of the Agreement as the power to modify the agreement under Section 27 is only in relation to Section 3 and cannot be applied for any action in contravention of Section 4 of the Competition Act.

The Company has filed an Appeal in the Hon’ble Supreme Court of India against the order dated 19 May 2014 passed by the COMPAT. The Hon’ble Supreme Court of India vide order dated 27 August 2014 admitted the Appeal and directed the Company to deposit penalty of ₹ 63,000.00 lakhs in the Court.

In compliance of the order, the Company has deposited ₹ 63,000.00 lakhs with the Hon’ble Supreme Court of India.

The appeals have been listed for arguments before the Hon’ble Supreme Court of India.

Based on the advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the Hon’ble Supreme Court of India. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial statements.

- (ii) The order was passed by CCI on 14 May 2015, against one of the Subsidiary Company relating to New Town Heights Project where CCI has directed the Company to cease and desist in implementation of the terms and conditions of Apartment Buyer Agreement which is found to be unfair and abusive.

No penalty has been imposed by CCI. The Subsidiary Companies have filed the Appeals before COMPAT against the said Order dated 14 May 2015 and Appeals were dismissed by COMPAT. The Subsidiary Companies against the order passed by COMPAT have filed Appeals before the Hon’ble Supreme Court.

The appeals have been listed for arguments before the Hon’ble Supreme Court of India.

- b) During the year ended 31 March 2011, the Company and two of its subsidiary companies received judgments from the Hon’ble High Court of Punjab and Haryana cancelling the sale deeds of land relating to two IT SEZ/ IT Park Projects in Gurugram. The Company and the subsidiary companies filed Special Leave Petitions (SLPs) challenging the orders in the Hon’ble Supreme Court of India.

The Hon’ble Supreme Court of India has admitted the matters and stayed the operation of the impugned judgments till further orders in both the cases.



## Notes to Consolidated Financial Statements (Contd.)

Based on the advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial statements.

- c) (i) Securities and Exchange Board of India (SEBI) had issued a Show Cause Notice (SCN) dated 25 June 2013 under Sections 11(1), 11(4), 11A and 11B of the SEBI Act, 1992 ("the SEBI Act") read with clause 17.1 of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 ("DIP Guidelines") and Regulation 111 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") and levelled certain allegations in the same.

The Company filed its reply with SEBI, placed written submissions and participated in the hearings conducted by the Hon'ble Whole Time Member, in which it replied to each allegation levelled in the said SCN.

The Hon'ble Whole Time member however rejected the reply filed by the Company and vide its order dated 10 October 2014 restrained the Company and six others from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities, directly or indirectly, in any manner, whatsoever, for a period of three years.

The Company has filed an appeal against the said order before Securities Appellate Tribunal (SAT) vide majority order dated 13 March 2015 allowed all the appeals and the impugned order passed by SEBI has been quashed and set aside.

SEBI has filed a statutory appeal under Section 15Z of SEBI Act before the Hon'ble Supreme Court of India.

On 24 April 2015, the Hon'ble Supreme Court of India admitted the appeal ('Appeal') filed by SEBI and issued notice on interim application. No stay has been granted by the Hon'ble Supreme Court of India in favour of SEBI.

SEBI had filed an application stating that proposed sale of Compulsorily Convertible Preference Shares ('CCPS') in DLF Cyber City Developers Limited, one of the unlisted subsidiary of the Company, by the promoters, to third party Institutional Investors should not be allowed during the pendency of the appeal and have sought stay from the Hon'ble Supreme Court of India on the proposed transactions. The Hon'ble Supreme Court did not pass any order and has kept the application to be heard along with the Appeal.

- (ii) SEBI also issued a SCN dated 28 August 2013 under Sections 15HA and 15HB of the SEBI Act, 1992 and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by adjudicating officer) Rules, 1995 ("Adjudication Rules"), hearing on which has been completed and the Company has filed its written synopsis/ submissions.

By way of orders dated 26 February 2015, the adjudicating officer of SEBI imposed penalties upon the Company, some of its Directors, officer, its three subsidiaries and their Directors under Section 15HA and under Section 15HB of the SEBI Act, 1992.

The Company, its Directors, officer, its three subsidiaries and their Directors have filed appeal before SAT impugning the order dated 26 February 2015 passed by an Adjudicating Officer of SEBI. The Appeal is listed before SAT and in its order dated 15 April 2015, SEBI has undertaken not to enforce the orders dated 26 February 2015 during pendency of the appeal. The appeals have been listed for hearing before SAT.

The appeals were listed for hearing before SAT on 25 April 2018. The SAT vide its order passed on 25 April 2018 held that in view of SAT's majority decision dated 13 March 2015, the Adjudication Officer's decision dated 26 February 2015 cannot be sustained.

Accordingly, the Hon'ble SAT disposed of the appeals, along with Intervention Application. According to the judgement, the said appeals shall stand automatically revived once the Hon'ble Supreme Court of India disposes of the Civil Appeals filed by SEBI against SAT's judgement dated 13 March 2015.

- (d) One of the subsidiary company has purchased development rights for the land parcel at M1 & M1A project at Manesar, Haryana in 2008 from a third party. The erstwhile land owners of such land parcels filed a writ petition against the aforesaid party in the Hon'ble High Court of Punjab and Haryana seeking quashing of the entire action of the aforesaid party or the land purchaser i.e. third party from whom the subsidiary company has purchased the development right. The Hon'ble High Court dismissed the petition and held that there is no ground to interfere with the acquisition proceeding of the land. Petitioners filed a special leave petition against the said order of the Hon'ble High Court before the Hon'ble Supreme Court of India. The projects were nearly completed by May 2014.

The Hon'ble Supreme Court of India, in its Order dated 12 March 2018 disposed of the said petition and upheld the land acquisition proceedings notified in August 2007. As per the order, in case where construction have been erected and entire project is complete or is nearing completion upon acceptance of the claim, the plots or apartments shall be handed over to the respective claimants on the same terms and conditions. It further upheld that all land parcels and projects which is not nearing completion shall be vested with HUDA/ HSIIDC free from all encumbrances, consequently all licences granted in respect of land parcels and projects which is not nearing completion covered by the deemed award dated 26 August 2007, will stand transferred to HUDA/ HSIIDC. Accordingly the Group have filed it's claim with HUDA / HSIIDC based on companies rights and obligation stipulated in the judgement and considered appropriate provision in these consolidated financial statements.

- (e) DLF has filed an Special Leave Petition (SLP) against the order dated 2 December 2016 passed by the Hon'ble Punjab & Haryana High Court in Writ Petition No.12210 of 2013 challenging the findings and directions passed by the Hon'ble High Court requiring DLF to allocate additional land measuring 10.6 Acres for DLF Park Place complex. DLF has taken the ground that after having rejected the contentions of the Association on the claim of extra land based on FAR and PPA norms, the Hon'ble High Court could not have passed the order for allocation of additional land based on the representations made in the Brochure. DLF has further

raised the ground that the Hon'ble High Court has given a complete go by to the terms and conditions of the binding agreement where it was specifically provided the area of Park Place as 12.67 acres granted leave in the Special Leave Petition.

Against the same order, DLF Park Place Residents Welfare Association has also filed an SLP before the Supreme Court on the grounds that the High Court has misinterpreted the statutory provisions of the applicable law to hold that GH Park Place is not a separate and independent Group Housing Complex but is part of DLF Phase-V constructed over 476.42 Acres having 15 Group Housing Complexes. In accordance with the FAR ratio of 1:1.75, the association was entitled to additional land of 46.20 Acres on the total constructed area which has not been considered by the Hon'ble High Court.

These SLPs were listed before Supreme Court on 17 April 2017 and 9 May 2017, respectively. The Court after hearing, granted leave in the SLPs.

Based on the advice of the independent legal counsels, the management believes that there is reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustments has been made in these financial statements.

50. During the year, the Company has declared and paid interim dividend of ₹ 21,408.80 lakhs @ 60% (i.e. ₹ 1.20 per equity share having par value of ₹ 2/- each) to its shareholders. The Company has also received Dividend of ₹ 21,307.10 lakhs from one of the subsidiary Companies during the year and corporate dividend tax of ₹ 4,337.62 lakhs has been paid by the said subsidiary Company. Accordingly, the Company has taken credit of this corporate dividend tax as per Section 115 O of the Income-tax Act, 1961 and has paid balance amount on account of corporate dividend tax amounting to ₹ 20.71 lakhs on interim dividend.

Further, the Board of Directors at its meeting held on 21 May 2018, has recommended final dividend of ₹ 14,272.54 lakhs @ 40% (i.e. ₹ 0.80/- per equity share having par value of ₹ 2/- each). Since this final dividend is subject to approval by the Shareholders at the forthcoming Annual General Meeting, no provision has been made in these financial statements for the same.

51. The petitions were filed before the Hon'ble Punjab & Haryana High Court challenging the action of the Haryana Government to acquire the land belonging to Gram Panchayat of village Wazirabad, District Gurugram for public purpose and thereafter selling the same to the Company, seeking directions from the court for quashing of the acquisition proceedings under Section 4 & 6 dated 8 August 2003 and 20 January 2004.

The Petitioners therein also sought quashing of the award dated 19 January 2006 and the regular letter of allotment (RLA) dated 9 February 2010 issued in favour of the Company for 350.715 acres of land.

The Hon'ble Punjab & Haryana High Court, vide its final order dated 3 September 2014, while upholding the acquisition of land has however disapproved the allotment in favour of the Company. The Hon'ble High Court passed an order to keep the RLA dated 9 February 2010 issued in favour of the Company in abeyance and further directed the Haryana State Industrial and Infrastructure Development Corporation ('HSIIDC') to initiate fresh allotment process for higher returns in respect of the land in question with an option to State to revive the RLA in case no better bid is quoted by the public at large.

The Company has filed Special Leave Petition before the Hon'ble Supreme Court of India challenging the judgment dated 3 September 2014 passed by the Hon'ble Punjab & Haryana High Court. The Hon'ble Supreme Court of India issued notice to the Respondents and directed status quo to be maintained by the parties.

Based on the advice of the independent legal counsels, the management believes that there is a reasonably strong likelihood of succeeding before the Hon'ble Supreme Court of India. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial statements.

## 52. SHARE BASED PAYMENT

### Employee Stock Option Scheme, 2006 (ESOP):

During the year ended 31 March 2007, the Company had announced an Employee Stock Option Scheme (the "Scheme") for all eligible employees of the Company, its subsidiaries, joint ventures and associates. Under the Scheme, 17,000,000 equity shares have been earmarked to be granted and the same will vest as follows:

| Block I                | Block II               | Block III              |
|------------------------|------------------------|------------------------|
| Year 2                 | Year 4                 | Year 6                 |
| 10% of the total grant | 30% of the total grant | 60% of the total grant |

Pursuant to the above Scheme, the employee will have the option to exercise the right within three years from the date of vesting of shares at ₹ 2 per share, being its exercise price.

Options are granted under the plan for the consideration of ₹ 2 per share and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. For the options which were vested before 31 March 2015, using the Ind AS transition exemption [as explained in the significant accounting policies no 5(o)] the expense related to options is arrived at using intrinsic value of the shares on the date of grant. For options which were vested after 31 March 2015, the expense related to options is arrived at using fair value of the options on the date of grant.

## Notes to Consolidated Financial Statements (Contd.)

Share options outstanding at the end of the year (tranche wise) have the following exercise prices:

| Grant date                 | Exercise price (₹) | Share options<br>31 March 2018 | Share options<br>31 March 2017 |
|----------------------------|--------------------|--------------------------------|--------------------------------|
| 1 July 2007 (Grant I)      | 2                  | 3,734,057                      | 3,734,057                      |
| 10 October 2007 (Grant II) | 2                  | 308,077                        | 308,077                        |
| 1 July 2008 (Grant III)    | 2                  | 1,645,520                      | 1,645,520                      |
| 10 October 2008 (Grant IV) | 2                  | 160,059                        | 160,059                        |
| 1 July 2009 (Grant V)      | 2                  | 3,355,404                      | 3,355,404                      |
| 10 October 2009 (Grant VI) | 2                  | 588,819                        | 588,819                        |

Share options outstanding at the end of the year (tranche wise) have the following exercise prices:

| Grant date      | Exercise price (₹) | Share options<br>31 March 2018 | Share options<br>31 March 2017 |
|-----------------|--------------------|--------------------------------|--------------------------------|
| 1 July 2007     | 2                  | -                              | 3,450                          |
| 10 October 2007 | 2                  | -                              | 6,220                          |
| 1 July 2008     | 2                  | -                              | 31,672                         |
| 10 October 2008 | 2                  | -                              | 4,992                          |
| 1 July 2009     | 2                  | 196,083                        | 207,287                        |
| 10 October 2009 | 2                  | 211,734                        | 213,054                        |

The following table summarises the number and weighted-average exercise price (WAEP) of and movements in share options during the year:

| Particulars                              | 31 March 2018              |          | 31 March 2017              |          |
|--|----------------------------|----------|----------------------------|----------|
|  | Stock options<br>(numbers) | WAEP (₹) | Stock options<br>(numbers) | WAEP (₹) |
| Outstanding at the beginning of the year | 466,675                    | 346.69   | 820,636                    | 360.08   |
| Add: Granted during the year             | -                          | -        | -                          | -        |
| Less: Forfeited during the year          | 5,915                      | 338.59   | 332                        | 292.69   |
| Less: Exercised during the year          | 52,943                     | 343.06   | 289,118                    | 374.64   |
| Less: Lapsed during the year             | -                          | -        | 64,511                     | 392.27   |
| Outstanding at the end of the year       | 407,817                    | 347.28   | 466,675                    | 346.69   |
| Exercisable at the end of the year       | 407,817                    | 347.28   | 466,675                    | 346.69   |

The weighted-average share price (₹) at the date of exercise of options during the year ended 31 March 2018 was:

| Grant date      | 31 March 2018 | 31 March 2017 |
|-----------------|---------------|---------------|
| 1 July 2007     | -             | 127.35        |
| 10 October 2007 | -             | 153.89        |
| 1 July 2008     | 178.33        | 128.65        |
| 10 October 2008 | 189.55        | -             |
| 1 July 2009     | 187.31        | 126.41        |
| 10 October 2009 | 189.55        | 132.02        |

The fair value of the options granted is determined on the date of the grant using the "Black-Scholes option pricing model" with the following assumptions, as certified by an independent valuer:

|                                 | Grant I | Grant II | Grant III | Grant IV | Grant V | Grant VI |
|---------------------------------|---------|----------|-----------|----------|---------|----------|
| Dividend yield (%)              | 0.28    | 0.28     | 0.57      | 0.73     | 0.86    | 0.64     |
| Expected life (number of years) | 6.50    | 6.50     | 5.50      | 5.50     | 5.50    | 5.50     |
| Risk free interest rate (%)     | 8.37    | 8.09     | 9.46      | 8.17     | 6.75    | 7.26     |
| Volatility (%)                  | 82.30   | 82.30    | 52.16     | 59.70    | 86.16   | 81.87    |

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

**Employee Shadow Option Scheme (Cash settled options):**

- a) Under the Employee Shadow Option Scheme (the 'Scheme'), employees are entitled to get cash compensation based on the average market price of equity share upon exercise of shadow option on a future date. As per the Scheme, shadow options will vest as follows:

| Tranche | Date of Grant*   | Vesting at the end of/ during year 1 | Vesting at the end of/ during year 2 | Vesting at the end of/ during year 3 | Vesting at the end of/ during year 4 | Vesting at the end of/ during year 5 | Vesting at the end of/ during year 7 |
|---------|------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| I.      | 1 July 2007      | -                                    | 50%                                  | -                                    | 50%                                  | -                                    | -                                    |
| II.     | 1 September 2007 | -                                    | 50%                                  | -                                    | 50%                                  | -                                    | -                                    |
| III.    | 1 July 2008      | -                                    | 50%                                  | 50%                                  | -                                    | -                                    | -                                    |
| IV.     | 10 October 2008  | -                                    | 50%                                  | 50%                                  | -                                    | -                                    | -                                    |
| V.      | 1 July 2009      | -                                    | 100%                                 | -                                    | -                                    | -                                    | -                                    |
| VI.     | 1 August 2010    | -                                    | -                                    | -                                    | -                                    | -                                    | 100%                                 |
| VII.    | 1 November 2012  | 33.33%                               | 33.33%                               | 33.34%                               | -                                    | -                                    | -                                    |
| VIII.   | 1 August 2013    | -                                    | -                                    | 33.34%                               | -                                    | 66.66%                               | -                                    |

- b) Details of outstanding options and the expenses recognized under the Employee Shadow Option Scheme are as under:

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Outstanding shadow options (no.)                                   | -             | 732,238       |
| Exercise price (₹)   | 2             | 2             |
| Average market price (₹)   | -             | 144.61        |
| Fair value of shadow option (₹)                                    | -             | 142.61        |
| Total expense charged to statement of profit and loss (₹ in lakhs) | 198.06        | 407.25        |
| Liability as at the end of the year (₹ in lakhs)                   | -             | 1,052.36      |

\* For tranche I and II, 50% options have already been vested in the financial year ended 31 March 2010 and remaining 50% vested in financial year ended 31 March 2012. For tranche III & IV, 50% options vested in the financial year ended 31 March 2011 and remaining 50% vested in financial year ended 31 March 2012. For tranche V, the options vested in financial year ended 31 March 2012. For tranche VII, 33.33% vested in financial year ended 31 March 2014 and 33.33% vested in 31 March 2015 and remaining 50% vested in financial year ended 31 March 2016. For tranche VIII, 33.34% vested in financial year ended 31 March 2017. For tranche VI, the entire options vested in current financial year. For tranche VIII, all the remaining options have forfeited during the current financial year. Hence, no option is outstanding to be vested as at the end of the year.

**53. SEGMENT INFORMATION**

In line with the provisions of Ind AS 108 – operating segments and basis the review of operations being done by the board and the management, the operations of the Group fall under colonization and real estate business, which is considered to be the only reportable segment. The Group derives its major revenues from construction and development of real estate projects and its customers are widespread. **The Group is operating in India which is considered as a single geographical segment.**

(₹ in lakhs)

**54. DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED ACT, 2006") IS AS UNDER:**

| Particulars  | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;   | 545.55        | 165.07        |
| 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 date 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 date during the year) but without adding the interest specified under MSMED Act, 2006;  | 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 disclosure has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

## Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| <b>55. EXCEPTIONAL ITEMS</b> |   |                      |                      |
|------------------------------|---|----------------------|----------------------|
| <b>Sl. No.</b>               | <b>Particulars</b>  | <b>31 March 2018</b> | <b>31 March 2017</b> |
| 1.                           | Gain on deemed disposal of DCCDL Group<br>[Refer note 44 (a)]   | 992,713.00           | -                    |
| 2.                           | Fair valuation gain on certain investments [refer note (a) below]   | 44,715.00            | -                    |
| 3.                           | Reversal of foreign currency translation reserves pursuant to merger of certain subsidiaries<br>[refer note 44 (c)]               | 24,071.00            | -                    |
| 4.                           | Sale of cinema operations [refer note (e) for previous year below]  | -                    | 42,122.00            |
| 5.                           | Profit on sale of Investments in Associates [refer note (f) below]  | -                    | 10,751.03            |
|                              | <b>Exceptional gain (A)</b>   | <b>1,061,499.00</b>  | <b>52,873.03</b>     |
| 6.                           | Impairment of certain property, plant and equipment and investment properties [refer note<br>(b)] & [(g) for previous year] below | 49,873.00            | 2,097.00             |
| 7.                           | Impairment of certain inventories [refer note (c) below]  | 69,039.00            | -                    |
| 8.                           | Impairment of certain trade and other receivables<br>[refer note (d) below]   | 66,053.04            | -                    |
| 9.                           | Loss on sale of a assets/ project [refer note (h) for previous year below]  | -                    | 4,225.00             |
| 10.                          | Loss on account of flood [refer note (i) for previous year below]   | -                    | 3,491.00             |
| 11.                          | Compensation paid [refer note (j) for previous year below]  | -                    | 133.62               |
| 12.                          | <b>Exceptional loss (B)</b>   | <b>184,965.04</b>    | <b>9,946.62</b>      |
| 13.                          | <b>Net Exceptional Gain (A-B)</b>   | <b>876,533.96</b>    | <b>42,926.41</b>     |

- (a) During the year, the Company has recorded gain on fair valuation of its investment in debentures of certain Joint Venture entities on account of change in business plans and market outlook for the respective companies.
- (b) During the year, in order to realign its business strategy, the Company has revisited its business plan for various land parcel/ suspended projects due to present market conditions and legal judgements and has made provision for impairment of certain property, plant and equipment and investment properties on the basis of valuations carried out by independent valuers.
- (c) During the year, the Company has recorded loss on account of deterioration of certain inventory (i) due to legal judgement for a particular projects based on anticipated net realizable value and (ii) due to revision in business plan of some projects as per present market conditions based on valuation report received from the independent valuer.
- (d) During the year, (i) one of the subsidiary companies has made provision for doubtful recoveries due to prolonged litigations with certain entities towards power supply and (ii) the Group has made provision for impairment of certain Interest-bearing loans given to certain parties and receivables from customers due to anticipated losses in recoveries with the parties.

### Notes related to previous year:

- (e) During the year ended 31 March 2016, DLF Utilities Limited ('DUL'), a subsidiary company decided to exit the cinema business being the non-core business activity considering other operations of the Company. Consequently, on 9 June 2015 and 8 June 2016, DUL has entered into definitive agreements with PVR Limited and Cinopolis India Private Limited, respectively for transfer of its cinema business on 'slump sale' basis as defined under Section 2(42C) of Income-tax Act, 1961 for a consideration of ₹ 43,300.00 lakhs and ₹ 6,450.00 lakhs, respectively. All the regulatory approvals were duly received during the previous year and transaction was effected on 2 May 2016 and 1 September 2016, respectively. The resultant profit before tax of ₹ 42,122.00 lakhs has been classified under exceptional item.
- (f) DLF Home Developers Limited (DHDL), a wholly-owned subsidiary of the Company, had a Joint Venture Agreement with the investors for development of seven residential projects in the cities of Bengaluru, Chennai, Kochi and Indore.

It was decided to concentrate on selected projects in certain micro market and accordingly, it was jointly decided with the Investor to realign the current shareholding arrangement of DHDL in the JV companies in order to maintain continued focus on future development of various projects. Consequently, with the realignment of the current shareholding in the JV companies during the year ended 31 March 2017:

- i) DHDL has sold (i) 19,428,879 equity shares and 34,00,000 Preference Shares of Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] for ₹ 54,300.00 lakhs and (ii) 13,768 equity shares of Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] (Rajapura) for ₹ 10,394.00 lakhs. Besides this, DHDL has opted buy back of 4,283 equity shares of Rajapura for ₹ 3,233.00 lakhs. Accordingly, DHDL ceased to hold any stake now in these two companies. The resultant profit before tax of ₹ 10,751.00 lakhs has been classified as exceptional items in these consolidated financial statements.
- ii) DHDL has purchased 33,345 equity shares of DLF Southern Towns Private Limited for ₹ 48,000.00 lakhs and 30,571 equity shares of DLF Garden City Indore Private Limited for ₹ 17,000.00 lakhs, consequently the said Companies have become wholly-owned subsidiaries of DHDL w.e.f. 21 March 2017 and accordingly consolidated in these consolidated financial statements.

- (g) During the year ended 31 March 2017, DUL, a subsidiary company has recognised impairment of ₹ 2,097.00 lakhs on account of impairment of certain assets under fixed assets/ capital work-in-progress, based on their estimated realizable value thereof.
- (h) During the year ended 31 March 2017, the Holding Company has sold certain assets (having the carrying value of ₹ 5,370.92 lakhs) for ₹ 1,145.92 lakhs and has recognized a loss of ₹ 4,225.00 lakhs.
- (i) The Group has recognized loss of ₹ 3,491.00 lakhs on account of assets damaged by floods in Chennai.
- (j) Loss on account of compensation paid to GAIL (India) Limited for termination of contract.
56. Some of the entities of the Group have entered into business development agreements with some entities for the acquisitions/ aggregation of land parcels. As per these agreements, the respective entities have acquired sole irrevocable development rights in identified land which are acquired/ or in the final stages of being acquired by these entities. In terms of accounting policy on inventory the amount paid to these entities pursuant to the above agreements for acquiring development rights, are classified under inventory as development rights.
57. All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.
58. 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.

#### 59. Warrants and compulsorily convertible debentures

- a) During the year, the Company has issued warrants and compulsorily convertible debentures (CCDs) having 0.01% coupon rate to promoter group of companies on preferential allotment basis @ ₹ 217.25 per warrant and CCD aggregating to ₹ 900,010.36 lakhs. Against the issuance of 138,089,758 warrants, the Company has received 25% of issue price amounting to ₹ 75,010.36 lakhs and the remaining amount of 75% will be received at the time of allotment of shares. In respect of issuance of 379,746,836 CCDs, the Company has received 100% amount of ₹ 825,000.00 lakhs which will be converted to equity shares within 18 months of allotment.

- b) Utilization of proceeds from preferential issue

Out of the total proceed of ₹ 900,010.36 lakhs by way of allotment of warrants and CCDs, on preferential basis ₹ 794,400.00 lakhs has been utilized towards repayment of loans, working capital requirement, capital expenditure and investment in subsidiary companies. The balance amount of ₹ 105,600.00 lakhs is invested in Fixed Deposit/ Mutual funds for further utilization.

60. In accordance with Ind AS 105 "Non-Current Assets Held For Sale and Discontinued Operations", the assets and liabilities directly associated with the Special Economic Zone 'SEZ' undertakings have been classified as 'Held for sale' as the carrying amount of the undertaking will be recovered principally through sales transaction rather than continuing use. The Disposal Group has been recognized and measured at carrying amount as the management believes that fair value of consideration will be more than the carrying amount.

The details of assets held for sale and liabilities associated thereto are as under:

(₹ in lakhs)

| Particulars  | 31 March 2018                     |                             |                  |
|--|-----------------------------------|-----------------------------|------------------|
|  | DLF Commercial Developers Limited | DLF Home Developers Limited | Total            |
| <b>Group of assets classified as held for sale</b> |                                   |                             |                  |
| Property, plant and equipment                      | -                                 | 0.61                        | 0.61             |
| Investment Property                                | 6,869.67                          | 9,139.52                    | 16,009.19        |
| Investments  | -                                 | 73.09                       | 73.09            |
| Loans  | 596.41                            | 2,041.61                    | 2,638.02         |
| Deferred tax assets                                | -                                 | 15.07                       | 15.07            |
| Other non-current assets                           | 2,000.00                          | 206.87                      | 2,206.87         |
| Inventories  | 2,316.42                          | 7,177.07                    | 9,493.49         |
| Trade receivables                                  | 181.64                            | -                           | 181.64           |
| Cash and cash equivalents                          | -                                 | 74.25                       | 74.25            |
| Other bank balances                                | 118.14                            | 270.71                      | 388.85           |
| Other financial assets                             | -                                 | 14,804.88                   | 14,804.88        |
| Other current assets                               | 166.55                            | 3,986.69                    | 4,153.24         |
| <b>Total</b>                                       | <b>12,248.83</b>                  | <b>37,790.37</b>            | <b>50,039.20</b> |

## Notes to Consolidated Financial Statements (Contd.)

(₹ in lakhs)

| Particulars  | 31 March 2018                     |                             |                 |
|--|-----------------------------------|-----------------------------|-----------------|
|  | DLF Commercial Developers Limited | DLF Home Developers Limited | Total           |
| <b>Liabilities associated with group of assets classified as held for sale</b> |                                   |                             |                 |
| Trade payables   | 71.61                             | 5,134.59                    | 5,206.22        |
| Other financial liabilities  | -                                 | 282.00                      | 282.00          |
| Other current liabilities  | 172.22                            | -                           | 172.22          |
| <b>Total</b>   | <b>243.83</b>                     | <b>5,416.59</b>             | <b>5,660.42</b> |

### 61. LEASES

#### A) Operating leases – Assets taken on lease

The group leases various offices, parking spaces and retail stores under cancelable and non-cancelable operating leases with different period. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. The total lease expense recognised in the statement of Profit and loss amounts to ₹ 5,416.57 lakhs ( 31 March 2017 - ₹ 8,333.07 lakhs). Contractual lease expense under non-cancelable operating leases are summarised as below.

(₹ in lakhs)

| Particulars   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Not later than one year   | 3,509.63      | 4,719.14      |
| Later than one year but not later than five years                         | 3,449.43      | 8,667.92      |
| More than five years  | 3,015.88      | 29,789.44     |
| Sub-lease payment received recognized in the statement of profit and loss | 181.62        | 359.65        |

(figures disclosed under this note are gross of eliminations)

#### B) Operating leases – Assets given on lease

The Company has leased out office and mall premises under non-cancelable operating leases. The contractual future minimum lease related receivables in respect of these leases are:

(₹ in lakhs)

| Particulars                                       | 31 March 2018    | 31 March 2017      |
|---|------------------|--------------------|
| Not later than one year                           | 22,308.21        | 1,58,531.95        |
| Later than one year but not later than five years | 18,025.27        | 96,664.48          |
| More than five years                              | 29,861.43        | 32,433.43          |
| <b>Total</b>                                      | <b>70,194.91</b> | <b>2,87,629.86</b> |

(figures disclosed above are gross of eliminations)

### 62. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

#### a) Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 using either

one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Group continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting systems and processes and additional disclosure requirements that may be necessary.

Upon adoption the Company expects there to be a change in the manner that variable consideration in certain revenue arrangements is recognized from the current practice of recognizing such revenue as the services are performed and the variable consideration is earned to estimating the achievability of the variable conditions when the Company begins delivering services and recognizing that amount over the contractual period. The Company also expects a change in the manner that it recognizes certain incremental and fulfilment costs from expensing them as incurred to deferring and recognizing them over the contractual period. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will be concluded once the implementation project has been completed.

**b) Amendments to Ind AS 112 Disclosure of Interests in Other Entities:**

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

As at 31 March 2018, the Group classified its interest in Hyderabad SEZ unit of DLF Commercial Developers Limited and Chennai SEZ unit of DLF Home Developers Limited, wholly-owned subsidiaries, as held for sale but these amendments are unlikely to affect the Group's financial statements materially.

**c) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The Group is required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. The Group will disclose the fact if this relief is applied.

These amendments are effective for annual periods beginning on or after 1 April 2018. Since Group's current practice is in line with the clarifications issued, the Group does not expect any material effect on its consolidated financial statements. However, final impact will be concluded once the assessment of these changes is finalised.

**d) Transfers of Investment Property — Amendments to Ind AS 40**

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

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

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

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

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.



## Notes to Consolidated Financial Statements (Contd.)

- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

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

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

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

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

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

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

### 63. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31 MARCH 2018:

| Name of Entity   | Net assets i.e. total assets minus total liabilities |              | Share in profit or loss         |            | Other comprehensive income      |            | Total comprehensive income      |            |
|--|--|--------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|  | As % of consolidated net assets                      | ₹ in lakhs   | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs |
| <b>Holding Company</b>   |  |              |                                 |            |                                 |            |                                 |            |
| DLF Limited  | 66.28%   | 2,343,478.60 | 8.18%                           | 36,520.39  | 83.08%                          | 1,003.23   | 8.38%                           | 37,523.62  |
| <b>Subsidiary Companies</b>  |  |              |                                 |            |                                 |            |                                 |            |
| <b>Indian subsidiaries</b>   |  |              |                                 |            |                                 |            |                                 |            |
| Aadarshini Real Estate Developers Private Limited  | 0.00%  | 119.84       | -0.04%                          | (166.79)   | -0.36%                          | (4.31)     | -0.04%                          | (171.10)   |
| Abhigyan Builders & Developers Private Limited   | 0.01%  | 461.38       | 0.11%                           | 510.17     | 0.00%                           | -          | 0.11%                           | 510.17     |
| Abhiraj Real Estate Private Limited  | -0.04%   | (1,260.18)   | -0.04%                          | (192.10)   | 0.00%                           | -          | -0.04%                          | (192.10)   |
| Adeline Builders & Developers Private Limited  | 0.00%  | (10.97)      | 0.00%                           | (3.86)     | 0.00%                           | -          | 0.00%                           | (3.86)     |
| Americus Real Estate Private Limited   | -0.30%   | (10,552.42)  | -0.23%                          | (1,007.36) | 0.00%                           | -          | -0.23%                          | (1,007.36) |
| Amishi Builders & Developers Private Limited   | -0.03%   | (942.23)     | -0.04%                          | (159.76)   | 0.00%                           | -          | -0.04%                          | (159.76)   |
| Angelina Real Estates Private Limited  | 0.01%  | 490.08       | 0.00%                           | 7.71       | 0.00%                           | -          | 0.00%                           | 7.71       |
| Ariadne Builders & Developers Private Limited  | 0.00%  | 12.22        | 0.00%                           | (0.92)     | 0.00%                           | -          | 0.00%                           | (0.92)     |
| Armand Builders & Constructions Private Limited  | 0.00%  | (5.85)       | 0.00%                           | (2.52)     | 0.00%                           | -          | 0.00%                           | (2.52)     |
| Benedict Estates Developers Private Limited  | 0.01%  | 216.88       | 0.02%                           | 73.06      | 0.00%                           | -          | 0.02%                           | 73.06      |
| DLF Lands India Private Limited (formerly known as Berenice Real Estate Private Limited) | 0.00%  | (77.54)      | -0.02%                          | (74.54)    | 0.00%                           | -          | -0.02%                          | (74.54)    |

| Name of Entity  | Net assets i.e. total assets minus total liabilities |             | Share in profit or loss         |              | Other comprehensive income      |            | Total comprehensive income      |              |
|---|--|-------------|---------------------------------|--------------|---------------------------------|------------|---------------------------------|--------------|
|   | As % of consolidated net assets                      | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs   | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs   |
| Beyla Builders & Developers Private Limited                   | 0.01%  | 342.75      | 0.00%                           | 20.81        | 0.00%                           | -          | 0.00%                           | 20.81        |
| Bhamini Real Estate Developers Private Limited                | -0.14%   | (4,957.59)  | -0.49%                          | (2,192.56)   | 0.00%                           | -          | -0.49%                          | (2,192.56)   |
| Breeze Constructions Private Limited                          | -0.31%   | (11,037.98) | -0.67%                          | (2,979.00)   | 0.00%                           | -          | -0.67%                          | (2,979.00)   |
| Caraf Builders & Constructions Private Limited                | 17.35%   | 613,354.39  | -2.57%                          | (11,464.19)  | 0.00%                           | -          | -2.56%                          | (11,464.19)  |
| Chakradharee Estates Developers Private Limited               | 0.01%  | 506.05      | 0.05%                           | 205.19       | 0.00%                           | -          | 0.05%                           | 205.19       |
| Chandrajyoti Estate Developers Private Limited                | -0.09%   | (3,152.12)  | -0.07%                          | (319.47)     | 0.00%                           | -          | -0.07%                          | (319.47)     |
| Dae Real Estates Private Limited                              | 0.01%  | 239.73      | 0.00%                           | (0.48)       | 0.00%                           | -          | 0.00%                           | (0.48)       |
| Daffodil Hotels Private Limited                               | 0.54%  | 19,249.10   | -0.05%                          | (216.20)     | 0.00%                           | -          | -0.05%                          | (216.20)     |
| Dalmia Promoters and Developers Private Limited               | -0.04%   | (1,432.34)  | -0.05%                          | (206.93)     | 0.00%                           | 0.01       | -0.05%                          | (206.92)     |
| Delanco Home and Resorts Private Limited                      | -0.20%   | (7,027.48)  | -0.71%                          | (3,180.87)   | 0.00%                           | -          | -0.71%                          | (3,180.87)   |
| Delanco Realtors Private Limited                              | -0.03%   | (1,222.91)  | -0.23%                          | (1,024.91)   | 0.00%                           | -          | -0.23%                          | (1,024.91)   |
| Deltaland Buildcon Private Limited                            | -0.04%   | (1,457.96)  | -0.22%                          | (1,004.21)   | 0.00%                           | -          | -0.22%                          | (1,004.21)   |
| DLF Aspirinwal Hotels Private Limited                         | -0.20%   | (7,083.04)  | -0.24%                          | (1,053.67)   | 0.00%                           | -          | -0.24%                          | (1,053.67)   |
| DLF Assets Private Limited                                    | 21.86%   | 772,786.39  | 7.08%                           | 31,618.94    | 0.10%                           | 1.22       | 7.06%                           | 31,620.16    |
| DLF City Centre Limited                                       | 0.13%  | 4,552.21    | -0.17%                          | (777.80)     | 0.10%                           | 1.22       | -0.17%                          | (776.58)     |
| DLF Cochin Hotels Private Limited                             | -0.08%   | (2,950.77)  | -0.11%                          | (486.89)     | 0.00%                           | -          | -0.11%                          | (486.89)     |
| DLF Commercial Developers Limited                             | 5.99%  | 211,850.65  | 0.80%                           | 3,559.61     | 0.00%                           | -          | 0.80%                           | 3,559.61     |
| DLF Commercial Projects Corporation                           | -0.04%   | (1,561.27)  | 0.00%                           | (0.00)       | 0.00%                           | -          | 0.00%                           | (0.00)       |
| DLF Cyber City Developers Limited                             | 17.89%   | 632,684.61  | 20.21%                          | 90,227.81    | 0.00%                           | -          | 20.16%                          | 90,227.81    |
| DLF Emporio Limited   | 1.58%  | 55,926.94   | 1.34%                           | 5,963.30     | -0.77%                          | (9.31)     | 1.33%                           | 5,953.99     |
| DLF Emporio Restaurants Limited                               | -0.55%   | (19,434.62) | -0.55%                          | (2,438.06)   | 1.25%                           | 15.12      | -0.54%                          | (2,422.94)   |
| DLF Energy Private Limited                                    | 0.01%  | 492.39      | -0.02%                          | (67.32)      | 0.00%                           | -          | -0.02%                          | (67.32)      |
| DLF Estate Developers Limited                                 | 0.04%  | 1,543.99    | 0.12%                           | 529.93       | 0.00%                           | -          | 0.12%                           | 529.93       |
| DLF Finvest Limited   | 0.01%  | 421.15      | 0.00%                           | 15.64        | 0.00%                           | -          | 0.00%                           | 15.64        |
| DLF Garden City Indore Private Limited [w.e.f. 21 March 2017] | 0.39%  | 13,677.36   | -0.13%                          | (591.76)     | 0.03%                           | 0.36       | -0.13%                          | (591.40)     |
| DLF Gayatri Developers  | 0.08%  | 2,735.22    | 0.00%                           | (0.00)       | 0.00%                           | -          | 0.00%                           | (0.00)       |
| DLF Golf Resorts Limited                                      | 0.02%  | 729.63      | 0.03%                           | 144.85       | 0.00%                           | -          | 0.03%                           | 144.85       |
| DLF Green Valley  | 0.16%  | 5,798.62    | 0.00%                           | (0.00)       | 0.00%                           | -          | 0.00%                           | (0.00)       |
| DLF Home Developers Limited                                   | 13.35%   | 472,073.58  | -39.39%                         | (175,828.02) | 36.63%                          | 442.31     | -39.18%                         | (175,385.72) |
| DLF Homes Goa Private Limited                                 | -0.32%   | (11,277.12) | -0.82%                          | (3,664.24)   | 0.00%                           | -          | -0.82%                          | (3,664.24)   |
| DLF Homes Kokapet Private Limited                             | -0.10%   | (3,502.94)  | -0.82%                          | (3,643.77)   | 0.00%                           | -          | -0.81%                          | (3,643.77)   |
| DLF Homes Services Private Limited                            | -0.03%   | (963.06)    | 0.00%                           | (20.43)      | 0.00%                           | -          | 0.00%                           | (20.43)      |
| DLF Info City Developers (Chandigarh) Limited                 | 0.65%  | 22,874.09   | 0.61%                           | 2,718.68     | 0.00%                           | -          | 0.61%                           | 2,718.68     |
| DLF Info City Developers (Kolkata) Limited                    | 0.85%  | 30,210.29   | 0.66%                           | 2,933.55     | 0.00%                           | -          | 0.66%                           | 2,933.55     |
| DLF Info Park (Pune) Limited                                  | -0.28%   | (10,019.89) | -0.80%                          | (3,574.26)   | 0.00%                           | -          | -0.80%                          | (3,574.26)   |
| DLF Info Park Developers (Chennai) Limited                    | 2.04%  | 71,979.99   | -0.02%                          | (72.32)      | 0.00%                           | -          | -0.02%                          | (72.32)      |
| DLF Info City Chennai Limited                                 | 0.00%  | 1.21        | 0.00%                           | (3.79)       | 0.00%                           | -          | 0.00%                           | (3.79)       |
| DLF Info City Hyderabad Limited                               | 0.00%  | 1.55        | 0.00%                           | (3.45)       | 0.00%                           | -          | 0.00%                           | (3.45)       |

Notes to Consolidated Financial Statements (Contd.)

| Name of Entity   | Net assets i.e. total assets minus total liabilities |             | Share in profit or loss         |             | Other comprehensive income      |            | Total comprehensive income      |             |
|--|--|-------------|---------------------------------|-------------|---------------------------------|------------|---------------------------------|-------------|
|  | As % of consolidated net assets                      | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs  |
| DLF Luxury Homes Limited (Formerly DLF GK Residency Limited)             | 0.30%  | 10,651.50   | -1.90%                          | (8,485.71)  | 0.00%                           | -          | -1.90%                          | (8,485.71)  |
| DLF Office Developers  | 0.13%  | 4,535.23    | 0.00%                           | -           | 0.00%                           | -          | 0.00%                           | -           |
| DLF Phase-IV Commercial Developers Limited                               | -0.03%   | (1,232.05)  | -0.17%                          | (744.12)    | 0.00%                           | -          | -0.17%                          | (744.12)    |
| DLF Power & Services Limited   | -0.12%   | (4,249.50)  | 0.92%                           | 4,111.79    | 0.00%                           | -          | 0.92%                           | 4,111.79    |
| DLF Projects Limited   | 0.09%  | 3,094.31    | -0.14%                          | (644.03)    | 0.00%                           | -          | -0.14%                          | (644.03)    |
| DLF Promenade Limited  | 0.26%  | 9,108.61    | -0.55%                          | (2,435.70)  | -1.48%                          | (17.85)    | -0.55%                          | (2,453.55)  |
| DLF Property Developers Limited  | 0.00%  | 23.90       | -0.05%                          | (214.34)    | 0.00%                           | -          | -0.05%                          | (214.34)    |
| DLF Real Estate Builders Limited   | -0.79%   | (27,906.38) | -0.66%                          | (2,930.85)  | -8.50%                          | (102.60)   | -0.68%                          | (3,033.46)  |
| DLF Recreational Foundation Limited                                      | -0.02%   | (854.04)    | -0.14%                          | (642.03)    | 0.13%                           | 1.54       | -0.14%                          | (640.49)    |
| DLF Residential Builders Limited   | -0.05%   | (1,840.90)  | -0.09%                          | (388.74)    | 0.00%                           | -          | -0.09%                          | (388.74)    |
| DLF Residential Developers Limited                                       | -0.06%   | (2,061.13)  | -0.11%                          | (473.67)    | 0.00%                           | -          | -0.11%                          | (473.67)    |
| DLF Residential Partners Limited   | -0.31%   | (11,040.16) | -0.96%                          | (4,292.68)  | 0.00%                           | -          | -0.96%                          | (4,292.68)  |
| DLF South Point Limited  | 0.03%  | 1,045.22    | 0.00%                           | 11.78       | 0.00%                           | -          | 0.00%                           | 11.78       |
| DLF Southern Towns Private Limited                                       | 0.85%  | 29,883.48   | -5.57%                          | (24,841.91) | 0.04%                           | 0.43       | -5.55%                          | (24,841.48) |
| DLF Universal Limited  | -0.19%   | (6,803.07)  | -0.14%                          | (633.63)    | 0.00%                           | -          | -0.14%                          | (633.63)    |
| DLF Utilities Limited  | 0.05%  | 1,651.64    | -0.79%                          | (3,524.66)  | 1.43%                           | 17.26      | -0.78%                          | (3,507.40)  |
| Domus Real Estate Private Limited  | -0.01%   | (513.43)    | -0.08%                          | (367.41)    | 0.00%                           | -          | -0.08%                          | (367.41)    |
| Eastern India Powertech Limited  | -1.24%   | (43,969.10) | -9.77%                          | (43,593.96) | -0.20%                          | (2.37)     | -9.74%                          | (43,596.33) |
| Edward Keventer (Successors) Private Limited                             | 0.86%  | 30,267.13   | -0.01%                          | (43.25)     | 7.50%                           | 90.51      | 0.01%                           | 47.26       |
| Elvira Builders & Constructions Private Limited                          | 0.00%  | (0.73)      | 0.00%                           | (0.75)      | 0.00%                           | -          | 0.00%                           | (0.75)      |
| Faye Builders & Constructions Private Limited                            | 0.00%  | (4.41)      | 0.00%                           | (0.93)      | 0.00%                           | -          | 0.00%                           | (0.93)      |
| Galleria Property Management Services Private Limited                    | -0.39%   | (13,754.68) | -0.70%                          | (3,127.79)  | 5.49%                           | 66.28      | -0.68%                          | (3,061.51)  |
| Ghaliya Builders & Developers Private Limited                            | 0.00%  | (1.80)      | 0.00%                           | (0.42)      | 0.00%                           | -          | 0.00%                           | (0.42)      |
| Hansel Builders & Developers Private Limited                             | 0.00%  | (6.94)      | 0.00%                           | (1.13)      | 0.00%                           | -          | 0.00%                           | (1.13)      |
| Isabel Builders & Developers Private Limited                             | -0.05%   | (1,876.86)  | -0.21%                          | (918.26)    | 0.00%                           | -          | -0.21%                          | (918.26)    |
| Kolkata International Convention Centre Limited (w.e.f. 12 January 2018) | 0.04%  | 1,486.16    | 0.10%                           | 441.30      | 0.00%                           | -          | 0.10%                           | 441.30      |
| Lada Estates Private Limited   | 0.00%  | 2.25        | 0.00%                           | (0.85)      | 0.00%                           | -          | 0.00%                           | (0.85)      |
| Latona Builders & Constructions Private Limited                          | -0.01%   | (220.86)    | -0.06%                          | (251.37)    | 0.00%                           | -          | -0.06%                          | (251.37)    |
| Lear Builders & Developers Private Limited                               | 0.00%  | (2.83)      | 0.00%                           | (0.94)      | 0.00%                           | -          | 0.00%                           | (0.94)      |
| Lempo Buildwell Private Limited  | 0.00%  | (3.91)      | 0.00%                           | (0.72)      | 0.00%                           | -          | 0.00%                           | (0.72)      |
| Liber Buildwell Private Limited  | 0.00%  | (4.25)      | 0.00%                           | (0.72)      | 0.00%                           | -          | 0.00%                           | (0.72)      |
| Livana Builders & Developers Private Limited                             | -0.01%   | (221.07)    | -0.06%                          | (251.37)    | 0.00%                           | -          | -0.06%                          | (251.37)    |
| Lizebeth Builders & Developers Private Limited                           | 0.02%  | 534.01      | 0.11%                           | 473.85      | 0.00%                           | -          | 0.11%                           | 473.85      |
| Lodhi Property Company Limited   | 1.64%  | 58,054.35   | -0.02%                          | (79.66)     | -0.84%                          | (10.16)    | -0.02%                          | (89.82)     |
| Mariabella Builders & Developers Private Limited                         | 0.00%  | (60.90)     | 0.00%                           | 3.31        | 0.00%                           | -          | 0.00%                           | 3.31        |

| Name of Entity   | Net assets i.e. total assets minus total liabilities |                 | Share in profit or loss         |                   | Other comprehensive income      |            | Total comprehensive income      |                   |
|--|--|-----------------|---------------------------------|-------------------|---------------------------------|------------|---------------------------------|-------------------|
|  | As % of consolidated net assets                      | ₹ in lakhs      | As % of consolidated net assets | ₹ in lakhs        | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs        |
| Melosa Builders & Developers Private Limited   | 0.00%  | 28.86           | 0.00%                           | (0.75)            | 0.00%                           | -          | 0.00%                           | (0.75)            |
| Mens Buildcon Private Limited  | 0.00%  | (91.65)         | 0.00%                           | (10.38)           | 0.00%                           | -          | 0.00%                           | (10.38)           |
| Nambi Buildwell Private Limited  | -0.21%   | (7,343.54)      | -0.74%                          | (3,292.44)        | 0.00%                           | -          | -0.74%                          | (3,292.44)        |
| Narooma Builders & Developers Private Limited  | 0.00%  | (6.14)          | 0.00%                           | (0.88)            | 0.00%                           | -          | 0.00%                           | (0.88)            |
| Nellis Builders & Developers Private Limited   | 0.00%  | (145.83)        | -0.01%                          | (62.30)           | 0.00%                           | -          | -0.01%                          | (62.30)           |
| Niobe Builders & Developers Private Limited  | 0.00%  | 105.75          | 0.00%                           | 6.08              | 0.00%                           | -          | 0.00%                           | 6.08              |
| Nudhar Builders & Developers Private Limited   | 0.00%  | (2.66)          | 0.00%                           | (0.93)            | 0.00%                           | -          | 0.00%                           | (0.93)            |
| Paliwal Developers Limited   | 0.08%  | 2,695.19        | -0.08%                          | (369.51)          | 0.00%                           | -          | -0.08%                          | (369.51)          |
| Paliwal Real Estate Limited  | -0.02%   | (581.16)        | -0.01%                          | (43.92)           | 0.00%                           | -          | -0.01%                          | (43.92)           |
| Phoena Builders & Developers Private Limited   | 0.00%  | 73.32           | 0.00%                           | 18.72             | 0.00%                           | -          | 0.00%                           | 18.72             |
| Pyrite Builders & Constructions Private Limited  | 0.00%  | (2.62)          | 0.00%                           | (0.71)            | 0.00%                           | -          | 0.00%                           | (0.71)            |
| Qabil Builders & Constructions Private Limited   | 0.00%  | 9.72            | 0.00%                           | 1.11              | 0.00%                           | -          | 0.00%                           | 1.11              |
| Rachelle Builders & Constructions Private Limited                                      | 0.00%  | 7.09            | 0.00%                           | (2.99)            | 0.00%                           | -          | 0.00%                           | (2.99)            |
| Rational Builders & Developers   | -0.10%   | (3,395.31)      | 0.00%                           | (0.00)            | 0.00%                           | -          | 0.00%                           | (0.00)            |
| Richmond Park Property Management Services Limited                                     | -0.18%   | (6,471.74)      | -0.92%                          | (4,123.45)        | 0.00%                           | -          | -0.92%                          | (4,123.45)        |
| Riveria Commercial Developers Limited  | 0.03%  | 1,138.68        | -0.67%                          | (2,968.53)        | 0.00%                           | -          | -0.66%                          | (2,968.53)        |
| Rochelle Builders & Constructions Private Limited                                      | 0.00%  | (18.90)         | 0.00%                           | (1.27)            | 0.00%                           | -          | 0.00%                           | (1.27)            |
| Royalton Builders & Developers Private Limited   | 0.00%  | (26.25)         | 0.00%                           | (1.02)            | 0.00%                           | -          | 0.00%                           | (1.02)            |
| Saket Holidays Resorts Private Limited   | -0.01%   | (361.73)        | -0.01%                          | (51.41)           | 0.00%                           | -          | -0.01%                          | (51.41)           |
| DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited]  | -0.31%   | (11,096.24)     | -1.13%                          | (5,036.49)        | 0.00%                           | -          | -1.13%                          | (5,036.49)        |
| Shivaji Marg Maintenance Services Limited (Formerly NewGen MedWorld Hospitals Limited) | 0.00%  | (121.29)        | 0.00%                           | (3.72)            | 0.00%                           | -          | 0.00%                           | (3.72)            |
| Urvasi Infratech Private Limited   | -0.01%   | (192.66)        | 0.00%                           | (8.23)            | 0.00%                           | -          | 0.00%                           | (8.23)            |
| Vibodh Developers Private Limited  | 0.00%  | 48.63           | 0.00%                           | (0.51)            | 0.00%                           | -          | 0.00%                           | (0.51)            |
| Vkarma Capital Investment Management Company Private Limited                           | -0.09%   | (3,109.70)      | -0.10%                          | (445.66)          | 0.00%                           | -          | -0.10%                          | (445.66)          |
| Vkarma Capital Trustee Company Private Limited   | 0.00%  | (5.40)          | 0.00%                           | (1.72)            | 0.00%                           | -          | 0.00%                           | (1.72)            |
| Webcity Builders & Developers Private Limited  | 0.01%  | 462.97          | 0.12%                           | 528.87            | 0.00%                           | -          | 0.12%                           | 528.87            |
| Inter Company eliminations   | -46.80%  | (1,654,843.58)  | 130.01%                         | 580,336.23        | -23.63%                         | (285.31)   | 129.59%                         | 580,050.92        |
| <b>Minority interest in all subsidiaries</b>   | <b>0.14%</b>   | <b>4,879.89</b> | <b>-0.29%</b>                   | <b>(1,292.81)</b> | <b>0.00%</b>                    | <b>-</b>   | <b>-0.29%</b>                   | <b>(1,292.81)</b> |
| <b>Joint ventures / Associates investment as per equity method</b>                     |  |                 |                                 |                   |                                 |            |                                 |                   |
| <b>Indian associates and joint ventures</b>  |  |                 |                                 |                   |                                 |            |                                 |                   |

Notes to Consolidated Financial Statements (Contd.)

| Name of Entity                                 | Net assets i.e. total assets minus total liabilities |             | Share in profit or loss         |            | Other comprehensive income      |            | Total comprehensive income      |            |
|--|--|-------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|  | As % of consolidated net assets                      | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs |
| Designplus Associates Services Private Limited | 0.00%  | (139.43)    | 0.00%                           | 18.12      | 0.00%                           | -          | 0.00%                           | 18.12      |
| Joyous Housing Limited                         | -0.02%   | (650.57)    | -0.03%                          | (134.46)   | 0.00%                           | -          | -0.03%                          | (134.46)   |
| DLF Homes Panchkula Private Limited            | -0.37%   | (12,945.19) | -0.97%                          | (4,313.35) | 0.00%                           | -          | -0.96%                          | (4,313.35) |
| DLF Midtown Private Limited                    | -0.01%   | (352.72)    | -0.03%                          | (143.40)   | 0.00%                           | -          | -0.03%                          | (143.40)   |
| DLF Urban Private Limited                      | 0.00%  | (117.44)    | -0.01%                          | (23.88)    | 0.00%                           | -          | -0.01%                          | (23.88)    |
| YG Reality Private Limited                     | -0.21%   | (7,462.86)  | -0.08%                          | (336.36)   | 0.00%                           | -          | -0.08%                          | (336.36)   |
| DLF SBPL Developers Private Limited            | 0.00%  | (99.70)     | 0.00%                           | (18.44)    | 0.00%                           | -          | 0.00%                           | (18.44)    |
| DLF Gayatri Home Developers Limited            | 0.00%  | (84.96)     | -0.01%                          | (45.88)    | 0.00%                           | -          | -0.01%                          | (45.88)    |
| DCCDL Group [refer note 44 a (i)]              | 0.66%  | 23,190.15   | 5.20%                           | 23,190.15  | 0.00%                           | -          | 5.18%                           | 23,190.15  |
| Arizona Globalservices Private Limited         | 0.01%  | 363.89      | 0.05%                           | 245.21     | 0.00%                           | -          | 0.05%                           | 245.21     |

**63. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31 MARCH 2017:**

| Name of Entity                                    | Net assets i.e. total assets minus total liabilities |              | Share in profit or loss         |            | Other comprehensive income      |            | Total comprehensive income      |            |
|---|--|--------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|   | As % of consolidated net assets                      | ₹ in lakhs   | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs |
| <b>Holding Company</b>                            |  |              |                                 |            |                                 |            |                                 |            |
| DLF Limited                                       | 59.54%   | 1,470,338.41 | 83.50%                          | 59,656.22  | 77.82%                          | (1,075.38) | 83.61%                          | 58,580.84  |
| <b>Subsidiary Companies</b>                       |  |              |                                 |            |                                 |            |                                 |            |
| <b>Indian subsidiaries</b>                        |  |              |                                 |            |                                 |            |                                 |            |
| Aadarshini Real Estate Developers Private Limited | 0.00%  | (4.16)       | 0.00%                           | (2.36)     | 0.00%                           | -          | 0.00%                           | (2.36)     |
| Abhigyan Builders & Developers Private Limited    | 0.00%  | (48.80)      | 0.00%                           | (0.45)     | 0.00%                           | -          | 0.00%                           | (0.45)     |
| Abhiraj Real Estate Private Limited               | -0.04%   | (1,068.08)   | -0.28%                          | (203.35)   | 0.00%                           | -          | -0.29%                          | (203.35)   |
| Adeline Builders & Developers Private Limited     | 0.00%  | (7.11)       | 0.00%                           | (1.53)     | 0.00%                           | -          | 0.00%                           | (1.53)     |
| Americus Real Estate Private Limited              | -0.39%   | (9,545.06)   | -1.53%                          | (1,092.29) | 0.00%                           | -          | -1.56%                          | (1,092.29) |
| Amishi Builders & Developers Private Limited      | -0.02%   | (609.28)     | -0.23%                          | (164.85)   | 0.00%                           | -          | -0.24%                          | (164.85)   |
| Angelina Real Estates Private Limited             | 0.02%  | 482.37       | 0.00%                           | 1.65       | 0.00%                           | -          | 0.00%                           | 1.65       |
| Ariadne Builders & Developers Private Limited     | 0.00%  | 13.14        | 0.00%                           | (0.34)     | 0.00%                           | -          | 0.00%                           | (0.34)     |
| Armand Builders & Constructions Private Limited   | 0.00%  | (3.32)       | 0.00%                           | (1.22)     | 0.00%                           | -          | 0.00%                           | (1.22)     |
| Benedict Estates Developers Private Limited       | 0.01%  | 143.82       | 0.14%                           | 101.10     | 0.00%                           | -          | 0.14%                           | 101.10     |

| Name of Entity   | Net assets i.e. total assets minus total liabilities |             | Share in profit or loss         |             | Other comprehensive income      |            | Total comprehensive income      |             |
|--|--|-------------|---------------------------------|-------------|---------------------------------|------------|---------------------------------|-------------|
|  | As % of consolidated net assets                      | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs  |
| DLF Lands India Private Limited (formerly known as Berenice Real Estate Private Limited) | 0.00%  | (2.99)      | 0.00%                           | (0.78)      | 0.00%                           | -          | 0.00%                           | (0.78)      |
| Beyla Builders & Developers Private Limited  | 0.01%  | 321.93      | 0.00%                           | (0.87)      | 0.00%                           | -          | 0.00%                           | (0.87)      |
| Bhamini Real Estate Developers Private Limited   | -0.11%   | (2,765.03)  | -0.98%                          | (702.33)    | 0.00%                           | -          | -1.00%                          | (702.33)    |
| Breeze Constructions Private Limited   | -0.33%   | (8,060.65)  | -3.74%                          | (2,672.48)  | 0.00%                           | -          | -3.81%                          | (2,672.48)  |
| Caraf Builders & Constructions Private Limited   | 25.30%   | 624,818.62  | -19.02%                         | (13,586.72) | 0.00%                           | -          | -19.39%                         | (13,586.72) |
| Chakradharee Estates Developers Private Limited  | 0.01%  | 300.86      | 0.37%                           | 263.84      | 0.00%                           | -          | 0.38%                           | 263.84      |
| Chandrajyoti Estate Developers Private Limited   | -0.11%   | (2,832.65)  | -0.51%                          | (367.55)    | 0.00%                           | -          | -0.52%                          | (367.55)    |
| Dae Real Estates Private Limited   | 0.01%  | 240.20      | 0.01%                           | 8.52        | 0.00%                           | -          | 0.01%                           | 8.52        |
| Dalmia Promoters and Developers Private Limited  | -0.05%   | (1,225.42)  | -0.30%                          | (216.12)    | 0.00%                           | -          | -0.31%                          | (216.12)    |
| Delanco Home and Resorts Private Limited   | -0.16%   | (3,846.61)  | -4.84%                          | (3,455.21)  | 0.00%                           | -          | -4.93%                          | (3,455.21)  |
| Delanco Realtors Private Limited   | -0.01%   | (197.43)    | -0.90%                          | (644.37)    | 0.00%                           | -          | -0.92%                          | (644.37)    |
| Deltaland Buildcon Private Limited   | -0.02%   | (453.75)    | -0.28%                          | (201.01)    | 0.00%                           | -          | -0.29%                          | (201.01)    |
| Daffodil Hotels Private Limited  | 0.79%  | 19,402.46   | 0.01%                           | 5.11        | 0.00%                           | -          | 0.01%                           | 5.11        |
| DLF Aspinwal Hotels Private Limited  | -0.24%   | (6,029.37)  | -1.49%                          | (1,067.52)  | 0.00%                           | -          | -1.52%                          | (1,067.52)  |
| DLF Assets Private Limited   | 30.01%   | 741,237.01  | 47.11%                          | 33,659.02   | -0.03%                          | 0.41       | 48.04%                          | 33,659.43   |
| DLF City Centre Limited  | 0.22%  | 5,330.01    | -0.99%                          | (705.26)    | 0.00%                           | -          | -1.01%                          | (705.26)    |
| DLF Cochin Hotels Private Limited  | -0.10%   | (2,463.88)  | -0.69%                          | (496.34)    | 0.00%                           | -          | -0.71%                          | (496.34)    |
| DLF Commercial Developers Limited  | 8.44%  | 208,456.20  | 17.87%                          | 12,767.95   | 0.00%                           | -          | 18.22%                          | 12,767.95   |
| DLF Commercial Projects Corporation  | -0.30%   | (7,335.09)  | 0.00%                           | -           | 0.00%                           | -          | 0.00%                           | -           |
| DLF Cyber City Developers Limited  | 31.51%   | 778,295.50  | 99.82%                          | 71,315.78   | 0.00%                           | -          | 101.79%                         | 71,315.78   |
| DLF Emporio Limited  | 2.02%  | 49,972.96   | 11.62%                          | 8,301.88    | -0.21%                          | 2.96       | 11.85%                          | 8,304.84    |
| DLF Emporio Restaurants Limited  | -0.69%   | (17,011.68) | -3.69%                          | (2,635.13)  | 0.10%                           | (1.34)     | -3.76%                          | (2,636.47)  |
| DLF Energy Private Limited   | 0.02%  | 559.71      | 0.03%                           | 23.47       | 0.00%                           | -          | 0.03%                           | 23.47       |
| DLF Estate Developers Limited  | 0.04%  | 1,013.34    | 0.37%                           | 267.09      | 0.22%                           | (3.04)     | 0.38%                           | 264.05      |
| DLF Finvest Limited  | 0.02%  | 405.50      | 0.02%                           | 16.24       | 0.00%                           | -          | 0.02%                           | 16.24       |
| DLF Garden City Indore Private Limited [w.e.f. 21 March 2017]                            | 0.57%  | 14,053.33   | 0.02%                           | 15.21       | 0.00%                           | -          | 0.02%                           | 15.21       |
| DLF Luxury Homes Limited (Formerly DLF GK Residency Limited)                             | 0.77%  | 19,137.21   | -15.04%                         | (10,746.80) | 0.00%                           | -          | -15.34%                         | (10,746.80) |
| DLF Gayatri Developers   | 0.18%  | 4,478.35    | 0.00%                           | -           | 0.00%                           | -          | 0.00%                           | -           |
| DLF Golf Resorts Limited   | 0.02%  | 602.67      | 0.20%                           | 145.26      | 0.00%                           | -          | 0.21%                           | 145.26      |
| DLF Green Valley   | 0.23%  | 5,763.67    | 0.00%                           | -           | 0.00%                           | -          | 0.00%                           | -           |
| DLF Home Developers Limited  | 20.15%   | 497,685.24  | -2.13%                          | (1,520.66)  | -68.09%                         | 941.01     | -0.83%                          | (579.66)    |
| DLF Homes Goa Private Limited  | -0.31%   | (7,614.05)  | -2.03%                          | (1,448.01)  | 0.00%                           | -          | -2.07%                          | (1,448.01)  |

Notes to Consolidated Financial Statements (Contd.)

| Name of Entity  | Net assets i.e. total assets minus total liabilities |             | Share in profit or loss         |            | Other comprehensive income      |            | Total comprehensive income      |            |
|---|--|-------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|   | As % of consolidated net assets                      | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs |
| DLF Homes Kokapet Private Limited                     | 0.01%  | 141.52      | -4.24%                          | (3,031.23) | 0.00%                           | -          | -4.33%                          | (3,031.23) |
| DLF Homes Services Private Limited                    | -0.04%   | (942.61)    | -0.39%                          | (278.11)   | 0.00%                           | -          | -0.40%                          | (278.11)   |
| DLF Hospitality and Recreational Limited              | 0.00%  | -           | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |
| DLF Hotel Holdings Limited                            | 5.69%  | 140,589.06  | 3.50%                           | 2,497.21   | 0.00%                           | -          | 3.56%                           | 2,497.21   |
| DLF Info City Developers (Chandigarh) Limited         | 0.82%  | 20,155.41   | 5.46%                           | 3,899.68   | 0.00%                           | -          | 5.57%                           | 3,899.68   |
| DLF Info City Developers (Kolkata) Limited            | 1.10%  | 27,276.75   | 5.00%                           | 3,573.75   | 0.00%                           | -          | 5.10%                           | 3,573.75   |
| DLF Info Park (Pune) Limited                          | -0.26%   | (6,445.63)  | -4.77%                          | (3,408.09) | 0.00%                           | -          | -4.86%                          | (3,408.09) |
| DLF Info Park Developers (Chennai) Limited            | 2.92%  | 72,052.31   | -0.16%                          | (110.87)   | 0.00%                           | -          | -0.16%                          | (110.87)   |
| DLF Inns Limited                                      | 0.00%  | -           | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |
| DLF Luxury Hotels Limited                             | 0.00%  | -           | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |
| DLF Office Developers                                 | 0.14%  | 3,371.70    | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |
| DLF Phase-IV Commercial Developers Limited            | -0.02%   | (487.93)    | -0.47%                          | (339.00)   | 0.00%                           | -          | -0.48%                          | (339.00)   |
| DLF Power & Services Limited                          | 0.00%  | (81.12)     | -0.12%                          | (86.12)    | 0.00%                           | -          | -0.12%                          | (86.12)    |
| DLF Projects Limited                                  | 0.15%  | 3,739.83    | -0.56%                          | (402.87)   | 0.00%                           | -          | -0.57%                          | (402.87)   |
| DLF Promenade Limited                                 | 0.47%  | 11,562.16   | 1.47%                           | 1,052.47   | -0.41%                          | 5.68       | 1.51%                           | 1,058.14   |
| DLF Property Developers Limited                       | 0.01%  | 238.20      | -0.52%                          | (370.91)   | 0.00%                           | -          | -0.53%                          | (370.91)   |
| DLF Real Estate Builders Limited                      | -0.98%   | (24,285.84) | -3.59%                          | (2,563.01) | 5.16%                           | (71.30)    | -3.76%                          | (2,634.31) |
| DLF Realtors Private Limited                          | 0.00%  | -           | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |
| DLF Recreational Foundation Limited                   | -0.01%   | (213.55)    | -0.44%                          | (316.93)   | -0.10%                          | 1.34       | -0.45%                          | (315.59)   |
| DLF Residential Builders Limited                      | -0.06%   | (1,452.17)  | -0.53%                          | (377.58)   | 0.00%                           | -          | -0.54%                          | (377.58)   |
| DLF Residential Developers Limited                    | -0.06%   | (1,587.46)  | -0.64%                          | (460.71)   | 0.00%                           | -          | -0.66%                          | (460.71)   |
| DLF Residential Partners Limited                      | -0.27%   | (6,747.48)  | -2.39%                          | (1,708.47) | 0.00%                           | -          | -2.44%                          | (1,708.47) |
| DLF Service Apartments Limited                        | 0.00%  | -           | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |
| DLF South Point Limited                               | 0.04%  | 1,034.28    | -0.05%                          | (38.76)    | 0.00%                           | -          | -0.06%                          | (38.76)    |
| DLF Southern Towns Private Limited                    | 2.22%  | 54,724.96   | -0.23%                          | (163.35)   | 0.18%                           | (2.51)     | -0.24%                          | (165.86)   |
| DLF Universal Limited                                 | -0.25%   | (6,169.44)  | -1.11%                          | (790.79)   | 0.00%                           | -          | -1.13%                          | (790.79)   |
| DLF Utilities Limited                                 | 0.21%  | 5,134.35    | 26.69%                          | 19,070.54  | 0.04%                           | (0.56)     | 27.22%                          | 19,069.99  |
| Domus Real Estate Private Limited                     | -0.01%   | (146.01)    | 0.13%                           | 95.06      | 0.00%                           | -          | 0.14%                           | 95.06      |
| Eastern India Powertech Limited                       | -0.02%   | (372.83)    | -3.43%                          | (2,452.17) | 0.74%                           | (10.20)    | -3.51%                          | (2,462.37) |
| Edward Keventer (Successors) Private Limited          | 1.22%  | 30,219.85   | -4.69%                          | (3,350.53) | 0.14%                           | (1.94)     | -4.78%                          | (3,352.48) |
| Elvira Builders & Constructions Private Limited       | 0.00%  | 0.02        | 0.00%                           | (1.49)     | 0.00%                           | -          | 0.00%                           | (1.49)     |
| Faye Builders & Constructions Private Limited         | 0.00%  | (3.48)      | 0.00%                           | (0.88)     | 0.00%                           | -          | 0.00%                           | (0.88)     |
| Galleria Property Management Services Private Limited | -0.43%   | (10,737.61) | -4.52%                          | (3,228.21) | 0.00%                           | -          | -4.61%                          | (3,228.21) |

| Name of Entity   | Net assets i.e. total assets minus total liabilities |             | Share in profit or loss         |            | Other comprehensive income      |            | Total comprehensive income      |            |
|--|--|-------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|  | As % of consolidated net assets                      | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs |
| Ghaliya Builders & Developers Private Limited  | 0.00%  | (1.38)      | 0.00%                           | (0.41)     | 0.00%                           | -          | 0.00%                           | (0.41)     |
| Hansel Builders & Developers Private Limited   | 0.00%  | (5.81)      | 0.00%                           | (1.07)     | 0.00%                           | -          | 0.00%                           | (1.07)     |
| Isabel Builders & Developers Private Limited   | -0.04%   | (958.60)    | -1.27%                          | (908.66)   | 0.00%                           | -          | -1.30%                          | (908.66)   |
| Lada Estates Private Limited   | 0.00%  | 3.10        | 0.00%                           | (0.94)     | 0.00%                           | -          | 0.00%                           | (0.94)     |
| Latona Builders & Constructions Private Limited  | 0.00%  | (39.01)     | -0.02%                          | (15.85)    | 0.00%                           | -          | -0.02%                          | (15.85)    |
| Lear Builders & Developers Private Limited   | 0.00%  | (1.89)      | 0.00%                           | (0.94)     | 0.00%                           | -          | 0.00%                           | (0.94)     |
| Lempo Buildwell Private Limited  | 0.00%  | (2.91)      | 0.00%                           | (0.81)     | 0.00%                           | -          | 0.00%                           | (0.81)     |
| Liber Buildwell Private Limited  | 0.00%  | (3.54)      | 0.00%                           | (1.13)     | 0.00%                           | -          | 0.00%                           | (1.13)     |
| Livana Builders & Developers Private Limited   | 0.00%  | (39.22)     | -0.02%                          | (15.85)    | 0.00%                           | -          | -0.02%                          | (15.85)    |
| Lizebeth Builders & Developers Private Limited   | 0.00%  | 60.16       | 0.00%                           | 0.03       | 0.00%                           | -          | 0.00%                           | 0.03       |
| Lodhi Property Company Limited   | -1.61%   | (39,813.64) | -2.24%                          | (1,599.95) | 1.53%                           | (21.21)    | -2.31%                          | (1,621.15) |
| Mariabella Builders & Developers Private Limited                                       | 0.00%  | (64.21)     | 0.01%                           | 10.08      | 0.00%                           | -          | 0.01%                           | 10.08      |
| Melosa Builders & Developers Private Limited   | 0.00%  | 29.61       | 0.00%                           | (0.95)     | 0.00%                           | -          | 0.00%                           | (0.95)     |
| Mens Buildcon Private Limited  | 0.00%  | (81.27)     | -0.01%                          | (10.37)    | 0.00%                           | -          | -0.01%                          | (10.37)    |
| Nambi Buildwell Private Limited  | -0.16%   | (4,051.14)  | -5.51%                          | (3,937.63) | 0.00%                           | -          | -5.62%                          | (3,937.63) |
| Narooma Builders & Developers Private Limited  | 0.00%  | (5.26)      | 0.00%                           | (0.90)     | 0.00%                           | -          | 0.00%                           | (0.90)     |
| Nellis Builders & Developers Private Limited   | 0.00%  | (83.53)     | -0.05%                          | (34.30)    | 0.00%                           | -          | -0.05%                          | (34.30)    |
| Shivaji Marg Maintenance Services Limited (Formerly NewGen MedWorld Hospitals Limited) | 0.00%  | (117.57)    | -0.02%                          | (14.61)    | 0.00%                           | -          | -0.02%                          | (14.61)    |
| Niobe Builders & Developers Private Limited  | 0.00%  | 99.67       | 0.00%                           | (1.72)     | 0.00%                           | -          | 0.00%                           | (1.72)     |
| Nudhar Builders & Developers Private Limited   | 0.00%  | (1.72)      | 0.00%                           | (0.88)     | 0.00%                           | -          | 0.00%                           | (0.88)     |
| Paliwal Developers Limited   | 0.12%  | 3,064.70    | 0.06%                           | 41.43      | 0.00%                           | -          | 0.06%                           | 41.43      |
| Paliwal Real Estate Limited  | -0.02%   | (537.24)    | -0.02%                          | (14.66)    | 0.00%                           | -          | -0.02%                          | (14.66)    |
| Phoena Builders & Developers Private Limited   | 0.00%  | 54.60       | 0.00%                           | (0.42)     | 0.00%                           | -          | 0.00%                           | (0.42)     |
| Pyrite Builders & Constructions Private Limited  | 0.00%  | (1.92)      | 0.00%                           | (1.01)     | 0.00%                           | -          | 0.00%                           | (1.01)     |
| Qabil Builders & Constructions Private Limited   | 0.00%  | 8.72        | 0.00%                           | (0.79)     | 0.00%                           | -          | 0.00%                           | (0.79)     |
| Rachelle Builders & Constructions Private Limited                                      | 0.00%  | 10.08       | 0.02%                           | 12.19      | 0.00%                           | -          | 0.02%                           | 12.19      |
| Rational Builders & Developers   | 0.00%  | 59.40       | 0.00%                           | -          | 0.00%                           | -          | 0.00%                           | -          |



Notes to Consolidated Financial Statements (Contd.)

| Name of Entity  | Net assets i.e. total assets minus total liabilities |                | Share in profit or loss         |             | Other comprehensive income      |            | Total comprehensive income      |             |
|---|--|----------------|---------------------------------|-------------|---------------------------------|------------|---------------------------------|-------------|
|   | As % of consolidated net assets                      | ₹ in lakhs     | As % of consolidated net assets | ₹ in lakhs  | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs  |
| Richmond Park Property Management Services Limited  | -0.10%   | (2,348.29)     | -0.65%                          | (461.22)    | 0.00%                           | -          | -0.66%                          | (461.22)    |
| Riveria Commercial Developers Limited   | 0.23%  | 5,574.99       | -0.15%                          | (107.98)    | 0.00%                           | -          | -0.15%                          | (107.98)    |
| Rochelle Builders & Constructions Private Limited   | 0.00%  | (17.63)        | 0.00%                           | (1.85)      | 0.00%                           | -          | 0.00%                           | (1.85)      |
| Royalton Builders & Developers Private Limited  | 0.00%  | (25.23)        | 0.00%                           | (1.20)      | 0.00%                           | -          | 0.00%                           | (1.20)      |
| DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited]             | -0.25%   | (6,059.76)     | -3.07%                          | (2,193.71)  | 0.00%                           | -          | -3.13%                          | (2,193.71)  |
| Saket Holidays Resorts Private Limited  | -0.01%   | (310.33)       | -0.07%                          | (49.73)     | 0.00%                           | -          | -0.07%                          | (49.73)     |
| Triumph Electronics Private Limited   | 0.00%  | -              | 0.02%                           | 17.03       | 0.36%                           | (4.94)     | 0.02%                           | 12.09       |
| Urvasi Infratech Private Limited  | -0.01%   | (184.42)       | -0.05%                          | (32.37)     | 0.00%                           | -          | -0.05%                          | (32.37)     |
| Vibodh Developers Private Limited   | 0.00%  | 49.14          | 0.00%                           | (0.22)      | 0.00%                           | -          | 0.00%                           | (0.22)      |
| Vkarma Capital Investment Management Company Private Limited                                      | -0.11%   | (2,664.03)     | -0.60%                          | (430.89)    | 0.00%                           | -          | -0.61%                          | (430.89)    |
| Vkarma Capital Trustee Company Private Limited  | 0.00%  | (3.68)         | 0.00%                           | (1.70)      | 0.00%                           | -          | 0.00%                           | (1.70)      |
| Webcity Builders & Developers Private Limited   | 0.00%  | (65.90)        | 0.00%                           | (0.45)      | 0.00%                           | -          | 0.00%                           | (0.45)      |
| <b>Foreign subsidiaries</b>   |  |                |                                 |             |                                 |            | 0.00%                           |             |
| DLF Global Hospitality Limited  | -1.46%   | (36,007.25)    | -21.04%                         | (15,030.41) | 0.00%                           | -          | -21.45%                         | (15,030.41) |
| DLF International Hospitality Corp.   | 0.00%  | -              | 20.89%                          | 14,927.99   | 0.00%                           | -          | 21.31%                          | 14,927.99   |
| Silverlink (Mauritius) Limited  | -0.04%   | (948.55)       | -0.01%                          | (9.73)      | 0.00%                           | -          | -0.01%                          | (9.73)      |
| Inter Company eliminations  | -85.96%  | (2,123,034.15) | -86.01%                         | (61,454.28) | 82.56%                          | (1,140.93) | -89.34%                         | (62,595.21) |
| <b>Minority interest in all subsidiaries</b>  | 0.50%  | 12,389.35      | 0.95%                           | 680.11      | 0.00%                           | -          | 0.97%                           | 680.11      |
| <b>Joint ventures/ Associates investment as per equity method</b>                                 |  |                |                                 |             |                                 |            |                                 |             |
| <b>Indian associates and joint ventures</b>   |  |                |                                 |             |                                 |            |                                 |             |
| Designplus Associates Services Private Limited  | -0.01%   | (157.55)       | 0.00%                           | (1.74)      | 0.00%                           | -          | 0.00%                           | (1.74)      |
| Joyous Housing Limited  | -0.02%   | (516.10)       | -0.28%                          | (203.08)    | 0.00%                           | -          | -0.29%                          | (203.08)    |
| DLF Homes Panchkula Private Limited   | -0.35%   | (8,632.59)     | -4.44%                          | (3,173.20)  | 0.00%                           | -          | -4.53%                          | (3,173.20)  |
| DLF Garden City Indore Private Limited [till 20 March 2017]                                       | 0.00%  | -              | -0.08%                          | (59.19)     | 0.00%                           | -          | -0.08%                          | (59.19)     |
| Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017] | 0.00%  | -              | 0.75%                           | 535.20      | 0.00%                           | -          | 0.76%                           | 535.20      |
| DLF Southern Towns Private Limited [till 20 March 2017]   | 0.00%  | -              | -1.90%                          | (1,360.06)  | 0.00%                           | -          | -1.94%                          | (1,360.06)  |
| DLF Midtown Private Limited   | -0.01%   | (209.32)       | -0.02%                          | (14.40)     | 0.00%                           | -          | -0.02%                          | (14.40)     |
| DLF Urban Private Limited   | 0.00%  | (93.57)        | -0.02%                          | (12.25)     | 0.00%                           | -          | -0.02%                          | (12.25)     |

| Name of Entity   | Net assets i.e. total assets minus total liabilities |            | Share in profit or loss         |            | Other comprehensive income      |            | Total comprehensive income      |            |
|--|--|------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|  | As % of consolidated net assets                      | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs | As % of consolidated net assets | ₹ in lakhs |
| Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017] | 0.00%  | -          | -4.74%                          | (3,386.89) | 0.00%                           | -          | -4.83%                          | (3,386.89) |
| YG Reality Private Limited   | -0.29%   | (7,126.50) | -2.15%                          | (1,539.19) | 0.00%                           | -          | -2.20%                          | (1,539.19) |
| DLF SBPL Developers Private Limited  | 0.00%  | (81.26)    | -0.03%                          | (21.37)    | 0.00%                           | -          | -0.03%                          | (21.37)    |
| DLF Gayatri Home Developers Limited  | 0.00%  | (39.09)    | -0.03%                          | (22.65)    | 0.00%                           | -          | -0.03%                          | (22.65)    |
| Annabel Builders and Developers Private Limited [till 20 March 2017]                               | 0.00%  | (9.99)     | 0.00%                           | (0.62)     | 0.00%                           | -          | 0.00%                           | (0.62)     |
| Arizona Globalservices Private Limited   | 0.00%  | 118.68     | 0.05%                           | 33.48      | 0.00%                           | -          | 0.05%                           | 33.48      |

#### 64. COMPARATIVE

- (i) The numbers for corresponding previous year are not strictly comparable with current year due to dilution of stake in DCCDL Group, which becomes joint venture w.e.f. 26 December 2017 and accounted for on “Equity Method” since then, as explained in note 44 (a) of these consolidated financial statements.
- (ii) The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current years classification.

For and on behalf of the Board of Directors

**Saurabh Chawla**

Group Chief Financial Officer

**Subhash Setia**

Company Secretary

**Mohit Gujral**

CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**

CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**

Vice Chairman  
DIN: 00003214

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

ICAI Firm Registration Number: 301003E/ E300005  
Chartered Accountants

per **Manoj Kumar Gupta**

Partner

Membership Number: 083906

New Delhi

21 May 2018

# Details of Subsidiary Companies

Statement containing salient features of the financial statements of subsidiaries, associate companies and joint ventures of DLF Limited as at 31 March 2018

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

## Part "A": Subsidiaries

| S. No. | Name of the subsidiary                            | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (including other income) | Profit/(loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/(loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding ** |
|--------|---|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|-------------------------------|--|---------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|
| 1      | Aadarshini Real Estate Developers Private Limited | 21 January 2008             | 31 March 2018           | 5.00                 | 114.84       | 15,368.28    | 15,248.44         | -           | 4.96                              | -132.84                       | 33.95  | -166.79                         | -4.31                      | -171.10                    | -                   | 100.00                      |
| 2      | Abhigyan Builders & Developers Private Limited    | 10 November 2010            | 31 March 2018           | 21.00                | 440.38       | 2,331.82     | 1,870.44          | -           | 833.00                            | 640.83                        | 130.66   | 510.17                          | -                          | 510.17                     | -                   | 100.00                      |
| 3      | Abhiraj Real Estate Private Limited               | 12 February 2008            | 31 March 2018           | 5.00                 | -1,265.18    | 691.67       | 1,951.85          | -           | 0.05                              | -192.10                       | -  | -192.10                         | -                          | -192.10                    | -                   | 100.00                      |
| 4      | Adeline Builders & Developers Private Limited     | 7 December 2010             | 31 March 2018           | 1.00                 | -11.97       | 2,485.76     | 2,496.73          | -           | -                                 | -1.12                         | 2.74   | -3.86                           | -                          | -3.86                      | -                   | 100.00                      |
| 5      | Americus Real Estate Private Limited              | 3 December 2008             | 31 March 2018           | 1.00                 | -10,553.42   | 1,334.26     | 11,886.68         | -           | 32.42                             | -994.86                       | -  | -994.86                         | -12.50                     | -1,007.36                  | -                   | 100.00                      |
| 6      | Amishi Builders & Developers Private Limited      | 3 February 2006             | 31 March 2018           | 5.00                 | -947.23      | 2.90         | 945.13            | -           | -                                 | -159.76                       | -  | -159.76                         | -                          | -159.76                    | -                   | 100.00                      |
| 7      | Angelina Real Estates Private Limited             | 5 September 2013            | 31 March 2018           | 1.00                 | 489.08       | 2,767.37     | 2,277.29          | -           | 842.01                            | 12.33                         | 4.62   | 7.71                            | -                          | 7.71                       | -                   | 100.00                      |
| 8      | Ariadne Builders & Developers Private Limited     | 9 September 2010            | 31 March 2018           | 1.00                 | 11.22        | 4,389.10     | 4,376.88          | -           | 7.29                              | -0.88                         | 0.04   | -0.92                           | -                          | -0.92                      | -                   | 100.00                      |
| 9      | Armand Builders & Constructors Private Limited    | 7 December 2010             | 31 March 2018           | 1.00                 | -6.84        | 2,793.63     | 2,799.47          | -           | -                                 | -1.10                         | 1.42   | -2.52                           | -                          | -2.52                      | -                   | 100.00                      |
| 10     | Benedict Estates Developers Private Limited       | 10 November 2010            | 31 March 2018           | 1.00                 | 215.88       | 2,269.11     | 2,052.23          | -           | 86.12                             | 82.49                         | 9.43   | 73.06                           | -                          | 73.06                      | -                   | 100.00                      |
| 11     | Beyla Builders & Developers Private Limited       | 5 September 2013            | 31 March 2018           | 1.00                 | 341.75       | 2,566.59     | 2,223.84          | -           | 4,004.79                          | 30.00                         | 9.19   | 20.81                           | -                          | 20.81                      | -                   | 100.00                      |
| 12     | Bhamini Real Estate Developers Private Limited    | 24 August 2006              | 31 March 2018           | 1.00                 | -4,958.59    | 1,810.22     | 6,767.82          | -           | 0.56                              | -2,192.56                     | -  | -2,192.56                       | -                          | -2,192.56                  | -                   | 100.00                      |
| 13     | Breeze Constructions Private Limited              | 27 April 2005               | 31 March 2018           | 5.000.00             | -16,037.98   | 15,379.24    | 26,417.22         | -           | -                                 | -2,979.00                     | -  | -2,979.00                       | -                          | -2,979.00                  | -                   | 100.00                      |
| 14     | Chakradhara Estates Developers Private Limited    | 10 November 2010            | 31 March 2018           | 1.00                 | 505.05       | 2,006.89     | 1,500.84          | -           | 342.95                            | 239.97                        | 34.78  | 205.19                          | -                          | 205.19                     | -                   | 100.00                      |

| S. No. | Name of the subsidiary  | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (Including other income) | Profit/(loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/(loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding ** |
|--------|---|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|-------------------------------|--|---------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|
| 15     | Chandrajyoti Estate Developers Private Limited  | 11 August 2006              | 31 March 2018           | 5.00                 | -3,157.12    | 1,686.04     | 4,838.16          | -           | 157.58                            | -319.47                       | -  | -319.47                         | -                          | -319.47                    | -                   | 100.00                      |
| 16     | Dae Real Estates Private Limited  | 10 November 2010            | 31 March 2018           | 1.00                 | 238.72       | 1,779.92     | 1,540.20          | -           | -                                 | -0.48                         | -  | -0.48                           | -                          | -0.48                      | -                   | 100.00                      |
| 17     | Daffodil Hotels Private Limited   | 8 April 2015                | 31 March 2018           | 3,000.00             | 16,249.10    | 28,407.74    | 9,158.64          | -           | 1,370.97                          | 166.73                        | 382.93   | -216.20                         | -                          | -216.20                    | -                   | 74.00                       |
| 18     | Dalmia Promoters and Developers Private Limited                                       | 30 May 2005                 | 31 March 2018           | 10.00                | -1,442.36    | 844.44       | 2,276.80          | 0.06        | 15.51                             | -206.94                       | -  | -206.94                         | 0.01                       | -206.93                    | -                   | 100.00                      |
| 19     | Delanco Home and Resorts Private Limited  | 15 June 2006                | 31 March 2018           | 1.00                 | -7,028.48    | 24,557.13    | 31,584.61         | -           | 3.43                              | -3,143.10                     | 37.78  | -3,180.88                       | -                          | -3,180.88                  | -                   | 100.00                      |
| 20     | Delanco Realtors Private Limited  | 24 September 2007           | 31 March 2018           | 1.00                 | -1,223.91    | 7,252.42     | 8,475.34          | -           | -499.60                           | -1,024.91                     | -  | -1,024.91                       | -                          | -1,024.91                  | -                   | 100.00                      |
| 21     | Deltaland Buildcon Private Limited  | 24 September 2007           | 31 March 2018           | 1.00                 | -1,458.96    | 450.70       | 1,908.66          | -           | 0.26                              | -1,004.21                     | -  | -1,004.21                       | -                          | -1,004.21                  | -                   | 100.00                      |
| 22     | DLF Aspinwal Hotels Private Limited   | 16 August 2007              | 31 March 2018           | 1.00                 | -7,084.04    | 3,561.45     | 10,644.49         | -           | -                                 | -1,053.67                     | -  | -1,053.67                       | -                          | -1,053.67                  | -                   | 100.00                      |
| 23     | DLF Builders and Developers Private Limited (formerly SC Hospitality Private Limited) | 2 June 2015                 | 31 March 2018           | 7,000.00             | -18,096.24   | 28,862.52    | 39,958.76         | -           | 7,220.21                          | -5,150.07                     | -113.58  | -5,036.49                       | -                          | -5,036.49                  | -                   | 98.96                       |
| 24     | DLF Cochin Hotels Private Limited   | 22 August 2007              | 31 March 2018           | 1.00                 | -2,951.77    | 2,035.17     | 4,985.94          | -           | -                                 | -485.90                       | -  | -485.90                         | -                          | -485.90                    | -                   | 100.00                      |
| 25     | DLF Commercial Developers Limited   | 1 January 2002              | 31 March 2018           | 1,870.00             | 209,980.65   | 212,102.65   | 252.00            | 9,037.39    | 21,424.99                         | 6,729.49                      | 3,169.87   | 3,559.62                        | -                          | 3,559.62                   | -                   | 100.00                      |
| 26     | DLF Emporio Restaurants Limited   | 2 April 2007                | 31 March 2018           | 5.00                 | -19,439.61   | 921.26       | 20,355.87         | -           | 2,995.85                          | -2,438.06                     | -  | -2,438.06                       | 15.12                      | -2,422.94                  | -                   | 100.00                      |
| 27     | DLF Energy Private Limited  | 4 October 2011              | 31 March 2018           | 550.00               | -57.61       | 30,682.96    | 30,190.57         | -           | 123.99                            | -67.32                        | -  | -67.32                          | -                          | -67.32                     | -                   | 100.00                      |
| 28     | DLF Estate Developers Limited   | 31 October 1998             | 31 March 2018           | 0.51                 | 1,543.48     | 6,999.52     | 5,455.53          | -           | 5,161.19                          | 794.53                        | 264.60   | 529.93                          | -                          | 529.93                     | -                   | 100.00                      |
| 29     | DLF Finvest Limited   | 13 May 2005                 | 31 March 2018           | 300.00               | 121.15       | 422.90       | 1.75              | -           | 18.14                             | 15.64                         | -  | 15.64                           | -                          | 15.64                      | -                   | 100.00                      |
| 30     | DLF Garden City Indore Private Limited  | 21 March 2017               | 31 March 2018           | 4.79                 | 13,672.69    | 17,491.47    | 3,813.99          | -           | 388.21                            | -586.22                       | 5.42   | -591.64                         | 0.36                       | -591.28                    | -                   | 100.00                      |
| 31     | DLF Golf Resorts Ltd.   | 1 February 1999             | 31 March 2018           | 40.00                | 689.64       | 11,954.51    | 11,224.87         | -           | 658.38                            | 213.75                        | 78.55  | 135.20                          | -5.06                      | 130.14                     | -                   | 100.00                      |

Details of Subsidiary Companies (Contd.)

| S. No. | Name of the subsidiary  | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (including other income) | Profit/ (loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/ (loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding ** |
|--------|---|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|--------------------------------|--|----------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|
| 32     | DLF Home Developers Limited   | 7 November 2001             | 31 March 2018           | 9,407.68             | 462,665.92   | 1,872,591.04 | 1,400,517.44      | 258,720.63  | 219,356.20                        | -171,346.58                    | 4,481.44   | -175,828.02                      | 442.31                     | -175,385.71                | -                   | 100.00                      |
| 33     | DLF Homes Goa Private Limited   | 2 November 2007             | 31 March 2018           | 1.00                 | -11,278.12   | 3,130.73     | 14,407.85         | -           | 1.23                              | -3,664.24                      | -  | -3,664.24                        | -                          | -3,664.24                  | -                   | 100.00                      |
| 34     | DLF Homes Kokapet Private Limited   | 16 March 2006               | 31 March 2018           | 1.00                 | -3,503.94    | 27,475.99    | 30,978.93         | -           | 92.33                             | -3,643.77                      | -  | -3,643.77                        | -                          | -3,643.77                  | -                   | 100.00                      |
| 35     | DLF Homes Services Private Limited  | 19 February 2008            | 31 March 2018           | 1.00                 | -964.08      | 9,903.39     | 10,866.47         | -           | 8,798.15                          | 119.58                         | 140.01   | -20.43                           | -                          | -20.43                     | -                   | 100.00                      |
| 36     | DLF Info Park (Pune) Limited  | 1 July 2011                 | 31 March 2018           | 5.00                 | -10,024.89   | 26,091.87    | 36,111.76         | -           | 5.77                              | -3,574.26                      | -  | -3,574.26                        | -                          | -3,574.26                  | -                   | 100.00                      |
| 37     | DLF Info Park (Chennai) Limited   | 2 April 2008                | 31 March 2018           | 72,805.00            | -825.01      | 74,347.26    | 2,367.26          | -           | -                                 | -72.32                         | -  | -72.32                           | -                          | -72.32                     | -                   | 100.00                      |
| 38     | DLF Info City Chennai Limited   | 5 October 2017              | 31 March 2018           | 5.00                 | -3.79        | 4.57         | 3.36              | -           | -                                 | -3.79                          | -  | -3.79                            | -                          | -3.79                      | -                   | 100.00                      |
| 39     | DLF Info City Hyderabad Limited   | 10 October 2017             | 31 March 2018           | 5.00                 | -3.75        | 4.62         | 3.37              | -           | -                                 | -3.75                          | -  | -3.75                            | -                          | -3.75                      | -                   | 100.00                      |
| 40     | DLF Lands India Private Limited (formerly Berenice Real Estate Private Limited) | 3 December 2008             | 31 March 2018           | 1.00                 | -78.54       | 2,017.76     | 2,095.30          | -           | -                                 | -74.54                         | -  | -74.54                           | -                          | -74.54                     | -                   | 100.00                      |
| 41     | DLF Luxury Homes Limited (Formerly DLF GK Residency Limited)                    | 8 October 2013              | 31 March 2018           | 60,000.00            | -49,348.50   | 78,097.08    | 67,445.58         | -           | 15,020.98                         | -8,485.71                      | -  | -8,485.71                        | -                          | -8,485.71                  | -                   | 100.00                      |
| 42     | DLF Phase-IV Commercial Developers Limited                                      | 10 February 2005            | 31 March 2018           | 40.00                | -1,272.05    | 5,638.07     | 6,870.12          | 5,613.27    | 0.07                              | -744.12                        | -  | -744.12                          | -                          | -744.12                    | -                   | 100.00                      |
| 43     | DLF Projects Limited  | 11 November 2009            | 31 March 2018           | 4,440.25             | -1,345.94    | 8,729.77     | 5,635.46          | -           | 321.08                            | -573.79                        | 70.24  | -644.03                          | -                          | -644.03                    | -                   | 100.00                      |
| 44     | DLF Property Developers Limited   | 31 July 2008                | 31 March 2018           | 50.00                | -26.10       | 2,429.76     | 2,405.86          | 1.70        | 212.80                            | -255.49                        | -41.16   | -214.33                          | -                          | -214.33                    | -                   | 100.00                      |
| 45     | DLF Real Estate Builders Limited  | 4 September 2008            | 31 March 2018           | 70.44                | -27,954.58   | 7,594.23     | 35,478.37         | 148.59      | 1,230.90                          | -3,533.08                      | -624.46  | -2,908.62                        | -102.60                    | -3,011.22                  | -                   | 99.99                       |
| 46     | DLF Recreational Foundation Limited   | 29 July 2008                | 31 March 2018           | 50.00                | -904.05      | 8,073.87     | 8,927.92          | -           | 4,750.28                          | -843.85                        | -201.82  | -642.03                          | 1.54                       | -640.49                    | -                   | 85.00                       |
| 47     | DLF Residential Builders Limited  | 31 July 2008                | 31 March 2018           | 50.00                | -1,890.90    | 1,566.60     | 3,407.50          | 1.70        | -                                 | -388.74                        | -  | -388.74                          | -                          | -388.74                    | -                   | 100.00                      |

| S. No. | Name of the subsidiary                                | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (Including other income) | Profit/ (loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/ (loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding *** |
|--------|---|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|--------------------------------|--|----------------------------------|----------------------------|----------------------------|---------------------|------------------------------|
| 48     | DLF Residential Developers Limited                    | 31 July 2008                | 31 March 2018           | 50.00                | -2,111.13    | 2,462.38     | 4,523.50          | -           | 435.56                            | -456.67                        | 16.99  | -473.66                          | -                          | -473.66                    | -                   | 100.00                       |
| 49     | DLF Residential Partners Limited                      | 31 July 2008                | 31 March 2018           | 50.00                | -11,090.16   | 7,102.20     | 18,142.36         | -           | 14.90                             | -4,715.66                      | -422.98  | -4,292.68                        | -                          | -4,292.68                  | -                   | 100.00                       |
| 50     | DLF South Point Limited                               | 17 October 2013             | 31 March 2018           | 400.00               | 645.22       | 1,577.45     | 532.23            | -           | 249.79                            | 14.56                          | 2.77   | 11.79                            | -                          | 11.79                      | -                   | 100.00                       |
| 51     | DLF Southern Towns Private Limited                    | 21 March 2017               | 31 March 2018           | 4.73                 | 29,878.75    | 76,346.86    | 46,463.38         | -           | 2,132.60                          | -24,830.77                     | 11.13  | -24,841.90                       | 0.43                       | -24,841.47                 | -                   | 100.00                       |
| 52     | DLF Universal Limited                                 | 30 March 2001               | 31 March 2018           | 5.00                 | -6,807.86    | 6,915.35     | 13,718.21         | -           | 1,241.60                          | -633.41                        | -  | -633.41                          | -                          | -633.41                    | -                   | 100.00                       |
| 53     | DLF Utilities Limited                                 | 26 February 1990            | 31 March 2018           | 10,707.46            | -9,059.91    | 212,902.00   | 211,253.45        | 93.26       | 10,191.13                         | -118.65                        | 3,406.00   | -3,524.65                        | 37.84                      | -3,486.81                  | -                   | 100.00                       |
| 54     | Domus Real Estate Private Limited                     | 7 December 2010             | 31 March 2018           | 1.00                 | -514.43      | 2,208.80     | 2,720.23          | -           | -44.39                            | -367.41                        | -  | -367.41                          | -                          | -367.41                    | -                   | 100.00                       |
| 55     | Eastern India Powertech Limited                       | 25 August 1988              | 31 March 2018           | 6,932.00             | -50,901.10   | 45,895.79    | 89,864.89         | -           | 8,374.24                          | -43,593.96                     | -  | -43,593.96                       | -2.37                      | -43,596.33                 | -                   | 100.00                       |
| 56     | Edward Keventer (Successors) Private Limited          | 30 May 2005                 | 31 March 2018           | 42,596.15            | -12,329.02   | 30,340.86    | 73.73             | 278.62      | 131.19                            | -43.25                         | -  | -43.25                           | 90.51                      | -47.26                     | -                   | 100.00                       |
| 57     | Elvira Builders & Constructions Private Limited       | 7 December 2010             | 31 March 2018           | 1.00                 | -1.73        | 4,644.34     | 4,645.07          | -           | -                                 | -1.01                          | -0.26  | -0.75                            | -                          | -0.75                      | -                   | 100.00                       |
| 58     | Faye Builders & Constructions Private Limited         | 7 December 2010             | 31 March 2018           | 1.00                 | -5.41        | 2,025.02     | 2,029.43          | -           | -                                 | -0.95                          | -0.03  | -0.92                            | -                          | -0.92                      | -                   | 100.00                       |
| 59     | Galleria Property Management Services Private Limited | 3 November 2006             | 31 March 2018           | 0.90                 | -13,755.48   | 10,564.33    | 24,318.91         | -           | 168.43                            | -3,127.79                      | -  | -3,127.79                        | 66.28                      | -3,061.51                  | -                   | 100.00                       |
| 60     | Ghalyia Builders & Developers Private Limited         | 7 May 2012                  | 31 March 2018           | 1.00                 | -2.79        | 2,350.88     | 2,352.67          | -           | -                                 | -0.42                          | -  | -0.42                            | -                          | -0.42                      | -                   | 100.00                       |
| 61     | Hansel Builders & Developers Private Limited          | 7 December 2010             | 31 March 2018           | 1.00                 | -7.94        | 2,635.60     | 2,642.54          | -           | -                                 | -1.21                          | -0.08  | -1.13                            | -                          | -1.13                      | -                   | 100.00                       |
| 62     | Isabel Builders & Developers Private Limited          | 13 March 2006               | 31 March 2018           | 1.00                 | -1,877.86    | 7,992.25     | 9,869.11          | -           | 0.64                              | -903.50                        | 14.75  | -918.25                          | -                          | -918.25                    | -                   | 100.00                       |
| 63     | Kolkata International Convention Centre Limited       | 12 January 2018             | 31 March 2018           | 5.01                 | 1,481.16     | 13,228.91    | 11,742.75         | -           | 338.44                            | 337.27                         | -104.03  | 441.30                           | -                          | 441.30                     | -                   | 99.99                        |
| 64     | Lada Estates Private Limited                          | 7 December 2010             | 31 March 2018           | 1.00                 | 1.25         | 2,181.60     | 2,179.35          | -           | -                                 | -1.03                          | -0.18  | -0.85                            | -                          | -0.85                      | -                   | 100.00                       |

Details of Subsidiary Companies (Contd.)

| S. No. | Name of the subsidiary                           | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (including other income) | Profit/(loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/(loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding ** |
|--------|--|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|-------------------------------|--|---------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|
| 65     | Ladona Builders & Constructions Private Limited  | 9 December 2011             | 31 March 2018           | 1.00                 | -221.86      | 1,158.07     | 1,378.93          | 1,152.60    | -                                 | -251.37                       | -  | -251.37                         | -                          | -251.37                    | -                   | 100.00                      |
| 66     | Lear Builders & Developers Private Limited       | 7 December 2010             | 31 March 2018           | 1.00                 | -3.83        | 1,995.02     | 1,997.85          | -           | -                                 | -0.95                         | -0.01  | -0.94                           | -                          | -0.94                      | -                   | 100.00                      |
| 67     | Lempo Buildwell Private Limited                  | 7 December 2010             | 31 March 2018           | 1.00                 | -4.91        | 2,363.68     | 2,367.59          | -           | -                                 | -0.97                         | -0.25  | -0.72                           | -                          | -0.72                      | -                   | 100.00                      |
| 68     | Liber Buildwell Private Limited                  | 7 December 2010             | 31 March 2018           | 1.00                 | -5.25        | 3,239.24     | 3,243.49          | -           | -                                 | -0.96                         | -0.25  | -0.71                           | -                          | -0.71                      | -                   | 100.00                      |
| 69     | Livana Builders & Developers Private Limited     | 9 December 2011             | 31 March 2018           | 1.00                 | -222.07      | 2,241.84     | 2,462.91          | 2,205.11    | -                                 | -251.37                       | -  | -251.37                         | -                          | -251.37                    | -                   | 100.00                      |
| 70     | Lizebeth Builders & Developers Private Limited   | 10 November 2010            | 31 March 2018           | 1.00                 | 533.01       | 1,513.10     | 979.09            | -           | 1,605.57                          | 595.20                        | 121.35   | 473.85                          | -                          | 473.85                     | -                   | 100.00                      |
| 71     | Lodhi Property Company Limited                   | 21 January 2008             | 31 March 2018           | 1,161.26             | 56,883.09    | 69,622.80    | 11,568.45         | 49.88       | 12,706.98                         | 828.04                        | 905.40   | -77.36                          | -10.16                     | -87.52                     | -                   | 100.00                      |
| 72     | Mariabella Builders & Developers Private Limited | 5 September 2013            | 31 March 2018           | 1.00                 | -61.89       | 1,035.77     | 1,086.66          | -           | 305.60                            | 4.79                          | 1.48   | 3.31                            | -                          | 3.31                       | -                   | 100.00                      |
| 73     | Melosa Builders & Developers Private Limited     | 7 December 2010             | 31 March 2018           | 1.00                 | 27.86        | 2,101.29     | 2,072.43          | -           | -                                 | -1.01                         | -0.26  | -0.75                           | -                          | -0.75                      | -                   | 100.00                      |
| 74     | Mens Buildcon Private Limited                    | 21 January 2008             | 31 March 2018           | 1.00                 | -92.65       | 3.25         | 94.90             | 1.00        | -                                 | -10.38                        | -  | -10.38                          | -                          | -10.38                     | -                   | 100.00                      |
| 75     | Nambi Buildwell Private Limited                  | 21 January 2008             | 31 March 2018           | 1.00                 | -7,344.54    | 95,968.03    | 103,311.57        | -           | 11,527.90                         | -3,888.79                     | -586.37  | -3,292.42                       | -                          | -3,292.42                  | -                   | 100.00                      |
| 76     | Narooma Builders & Developers Private Limited    | 27 March 2015               | 31 March 2018           | 1.00                 | -7.14        | 4,261.41     | 4,267.55          | -           | -                                 | -1.16                         | -0.28  | -0.88                           | -                          | -0.88                      | -                   | 100.00                      |
| 77     | Nellis Builders & Developers Private Limited     | 14 September 2007           | 31 March 2018           | 1.00                 | -146.83      | 783.34       | 929.17            | 1.00        | 56.97                             | -62.30                        | -  | -62.30                          | -                          | -62.30                     | -                   | 100.00                      |
| 78     | Niobe Builders & Developers Private Limited      | 5 September 2013            | 31 March 2018           | 1.00                 | 104.75       | 661.08       | 555.33            | -           | 768.46                            | 7.51                          | 1.43   | 6.08                            | -                          | 6.08                       | -                   | 100.00                      |
| 79     | Nudhar Builders & Developers Private Limited     | 27 March 2015               | 31 March 2018           | 1.00                 | -3.66        | 2,915.00     | 2,917.65          | -           | -                                 | -1.23                         | -0.30  | -0.93                           | -                          | -0.93                      | -                   | 100.00                      |
| 80     | Pallival Developers Limited                      | 18 December 2003            | 31 March 2018           | 1.00                 | 2,694.19     | 3,226.09     | 530.90            | -           | 121.29                            | -369.51                       | -  | -369.51                         | -                          | -369.51                    | -                   | 100.00                      |
| 81     | Pallival Real Estate Limited                     | 28 April 2006               | 31 March 2018           | 101.00               | -682.16      | 18.35        | 599.51            | -           | -                                 | -43.92                        | -  | -43.92                          | -                          | -43.92                     | -                   | 100.00                      |
| 82     | Phoena Builders & Developers Private Limited     | 10 November 2010            | 31 March 2018           | 1.00                 | 72.32        | 1,075.38     | 1,002.06          | -           | 23.54                             | 23.12                         | 4.40   | 18.72                           | -                          | 18.72                      | -                   | 100.00                      |

| S. No. | Name of the subsidiary  | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (Including other income) | Profit/(loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/(loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding ** |
|--------|---|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|-------------------------------|--|---------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|
| 83     | Pyrite Builders & Constructions Private Limited   | 7 December 2010             | 31 March 2018           | 1.00                 | -3.62        | 2,505.24     | 2,507.86          | -           | -                                 | -0.94                         | -0.24  | -0.70                           | -                          | -0.70                      | -                   | 100.00                      |
| 84     | Gabli Builders & Constructions Private Limited  | 7 December 2010             | 31 March 2018           | 1.20                 | 8.52         | 1,957.94     | 1,948.22          | -           | -                                 | -1.14                         | -2.25  | 1.11                            | -                          | 1.11                       | -                   | 100.00                      |
| 85     | Rachelle Builders & Constructions Private Limited   | 7 December 2010             | 31 March 2018           | 1.00                 | 6.09         | 1,392.76     | 1,385.67          | -           | -                                 | -1.12                         | 1.87   | -2.99                           | -                          | -2.99                      | -                   | 100.00                      |
| 86     | Rochelle Builders & Constructions Private Limited   | 7 December 2010             | 31 March 2018           | 1.00                 | -19.89       | 2,663.10     | 2,681.99          | -           | -                                 | -0.95                         | 0.31   | -1.26                           | -                          | -1.26                      | -                   | 100.00                      |
| 87     | Royalton Builders & Developers Private Limited  | 7 December 2010             | 31 March 2018           | 1.00                 | -27.25       | 43.34        | 69.59             | -           | -                                 | -1.02                         | -  | -1.02                           | -                          | -1.02                      | -                   | 100.00                      |
| 88     | Saket Holidays Resorts Private Limited (formerly Saket Courtyard Hospitality Private Limited) | 14 October 2009             | 31 March 2018           | 1.00                 | -362.73      | 140.66       | 502.39            | 140.00      | -                                 | -51.41                        | -  | -51.41                          | -                          | -51.41                     | -                   | 100.00                      |
| 89     | Shivaji Marg Maintenance Services Limited (formerly NewGen MedWorld Hospitals Limited)        | 4 November 2004             | 31 March 2018           | 5.00                 | -126.29      | 4,115.80     | 4,237.09          | -           | 1,111.01                          | -3.72                         | -  | -3.72                           | -                          | -3.72                      | -                   | 100.00                      |
| 90     | Urvasi Infratech Private Limited  | 27 September 2007           | 31 March 2018           | 1.00                 | -193.66      | 9,481.71     | 9,674.37          | -           | 5.32                              | 4.03                          | 12.26  | -8.23                           | -                          | -8.23                      | -                   | 100.00                      |
| 91     | Vibodh Developers Private Limited   | 10 November 2010            | 31 March 2018           | 21.00                | 27.63        | 751.96       | 703.33            | -           | -                                 | -0.51                         | -  | -0.51                           | -                          | -0.51                      | -                   | 100.00                      |
| 92     | Vkarma Capital Management Company Private Limited   | 12 March 2008               | 31 March 2018           | 5.00                 | -3,114.70    | 1,760.20     | 4,869.90          | -           | 186.73                            | -445.66                       | -  | -445.66                         | -                          | -445.66                    | -                   | 100.00                      |
| 93     | Vkarma Capital Trustee Company Private Limited  | 12 March 2008               | 31 March 2018           | 5.00                 | -10.40       | 0.37         | 5.77              | -           | -                                 | -1.72                         | -  | -1.72                           | -                          | -1.72                      | -                   | 100.00                      |
| 94     | Weboity Builders & Developers Private Limited   | 10 November 2010            | 31 March 2018           | 21.00                | 441.97       | 1,688.21     | 1,225.24          | -           | 656.95                            | 656.44                        | 127.57   | 528.87                          | -                          | 528.87                     | -                   | 100.00                      |
| 95     | Caraf Builders & Constructions Private Limited#   | 19 March 2010               | 31 March 2018           | 417,007.50           | 196,346.89   | 748,124.15   | 134,769.75        | 733,602.38  | 603.75                            | -11,417.86                    | 46.33  | -11,464.19                      | -                          | -11,464.19                 | -                   | 66.53                       |
| 96     | DLF Assets Private Limited#   | 19 March 2010               | 31 March 2018           | 562,991.35           | 209,795.04   | 1,566,420.70 | 793,634.29        | -           | 120,474.31                        | 34,287.25                     | 2,688.31   | 31,618.94                       | 1.22                       | 31,620.16                  | -                   | 66.53                       |



## Details of Subsidiary Companies (Contd.)

| S. No. | Name of the subsidiary                              | Date of becoming subsidiary | Financial year ended on | Equity Share capital | Other Equity | Total assets | Total liabilities | Investments | Turnover (including other income) | Profit/ (loss) before taxation | Tax expense (including deferred tax expense/ credit) | Profit/ (loss) after tax expense | Other Comprehensive Income | Total Comprehensive Income | Proposed dividend * | % of equity shareholding ** |
|--------|---|-----------------------------|-------------------------|----------------------|--------------|--------------|-------------------|-------------|-----------------------------------|--------------------------------|--|----------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|
| 97     | DLF City Centre Limited#                            | 26 June 2008                | 31 March 2018           | 5,000.00             | -447.79      | 15,223.42    | 10,671.20         | -           | 1.12                              | -777.80                        | -  | -777.80                          | 1.22                       | -776.58                    | -                   | 66.53                       |
| 98     | DLF Cyber City Developers Limited#                  | 28 April 2006               | 31 March 2018           | 225,537.35           | 407,147.26   | 1,596,907.36 | 964,222.75        | 617,331.97  | 165,878.16                        | 103,483.65                     | 13,255.83  | 90,227.81                        | -                          | 90,227.81                  | -                   | 66.53                       |
| 99     | DLF Emporio Limited#                                | 3 November 2006             | 31 March 2018           | 495.90               | 55,431.04    | 118,126.14   | 62,199.20         | -           | 16,711.98                         | 8,592.54                       | 2,629.24   | 5,963.30                         | -9.31                      | 5,953.99                   | -                   | 66.53                       |
| 100    | DLF Info City Developers (Chandigarh) Limited#      | 19 March 2010               | 31 March 2018           | 4,000.00             | 18,874.09    | 49,288.24    | 26,414.14         | 29.78       | 7,164.73                          | 3,122.12                       | 403.44   | 2,718.68                         | -                          | 2,718.68                   | -                   | 66.53                       |
| 101    | DLF Info City Developers (Kolkata) Limited#         | 19 March 2010               | 31 March 2018           | 25.00                | 30,185.29    | 67,655.19    | 37,444.90         | 27.23       | 8,842.40                          | 3,284.76                       | 351.21   | 2,933.55                         | -                          | 2,933.55                   | -                   | 66.53                       |
| 102    | DLF Power & Services Limited#                       | 22 April 2016               | 31 March 2018           | 10,000.00            | -14,249.50   | 117,381.74   | 121,631.24        | 650.66      | 87,118.72                         | 4,396.74                       | 284.95   | 4,111.79                         | -                          | 4,111.79                   | -                   | 66.53                       |
| 103    | DLF Promenade Limited#                              | 2 December 2003             | 31 March 2018           | 652.15               | 8,458.46     | 61,461.69    | 52,353.08         | -           | 10,211.71                         | -1,716.86                      | 718.84   | -2,435.70                        | -17.85                     | -2,453.55                  | -                   | 66.53                       |
| 104    | Richmond Park Property Management Services Limited# | 3 November 2006             | 31 March 2018           | 0.90                 | -6,472.64    | 2,796.38     | 9,268.12          | 2,729.63    | 23.73                             | -4,123.45                      | -  | -4,123.45                        | -                          | -4,123.45                  | -                   | 66.53                       |
| 105    | Riveria Commercial Developers Limited               | 6 February 2007             | 31 March 2018           | 5.00                 | 1,095.96     | 46,760.46    | 45,659.50         | -           | 1,386.81                          | -4,012.20                      | -1,079.24  | -2,932.96                        | 2.16                       | -2,930.80                  | -                   | 100.00                      |
| 106    | DLF Commercial Projects Corporation\$               | 28 September 1984           | 31 March 2018           | -                    | -1,561.26    | 294,713.79   | 296,275.05        | 16,359.11   | 9,651.85                          | -1,261.30                      | 369.96   | -1,631.26                        | -                          | -1,631.26                  | -                   | 100.00                      |
| 107    | DLF Gayatri Developers \$                           | 9 December 2011             | 31 March 2018           | -                    | 2,735.22     | 10,049.34    | 7,314.12          | -           | 165.17                            | -891.91                        | -  | -891.91                          | -                          | -891.91                    | -                   | 41.42                       |
| 108    | DLF Green Valley \$                                 | 20 November 2010            | 31 March 2018           | -                    | 5,798.62     | 6,320.40     | 521.78            | -           | -                                 | -520.88                        | -  | -520.88                          | -                          | -520.88                    | -                   | 50.00                       |
| 109    | DLF Office Developers \$                            | 24 February 1998            | 31 March 2018           | -                    | 4,535.22     | 5,304.60     | 769.38            | -           | 2,469.94                          | 1,575.33                       | 411.11   | 1,164.22                         | -0.68                      | 1,163.54                   | -                   | 85.00                       |
| 110    | Rational Builders and Developers \$                 | 2 December 1999             | 31 March 2018           | -                    | -3,395.31    | 86,311.25    | 89,706.56         | -           | -                                 | -3,433.31                      | -  | -3,433.31                        | -                          | -3,433.31                  | -                   | 95.00                       |

\* Does not include interim dividend paid during the year.

\*\* Based on effective shareholding of equity shares.

# Ceased to be subsidiary companies in terms of Ind AS w.e.f. 26 December 2017. Accordingly, investment in these companies has been accounted for as joint venture. For details, please refer note 44(a) of consolidated financial statements.

\$ These entities are partnership firms which have been accounted for as subsidiaries in the consolidated financial statements for the year ended 31 March 2018.

**Notes:**

1. **Names of subsidiaries which are yet to commence operations:** None
2. **Names of subsidiaries which have been amalgamated, liquidated or sold during the year:**

**Subsidiaries amalgamated**

The following companies have been merged with Lodhi Property Company Limited (vide Hon'ble National Company Law Tribunal order dated 20 February 2018)

DLF Hotel Holdings Limited  
DLF Global Hospitality Limited  
Silverlink (Mauritius) Limited

**Subsidiaries Liquidated:** None

3. **The Company holds 51% equity in Balaji Highways Holding Private Limited (Balaji), however the Company has no control over Balaji & has immaterial effect, hence has not been consolidated.**

The above statement also indicates performance and financial position of each of the subsidiaries.

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

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

New Delhi  
21 May 2018

## Details of Subsidiary Companies (Contd.)

### Part "B": Associates and Joint Ventures

| S. No.                 | Name of Associate/ Joint Venture                | Date of becoming Associate/ Joint Venture | Latest audited Balance Sheet date | Shares of Associate/ Joint Venture held by the Company on the year end |  | Extent of holding (%) | Networth attributable to Shareholding as per latest audited Balance Sheet | Profit/ (loss) for the year       |                             |                                 | Description of how there is significant influence | Reason why the Associate/ Joint Venture is not consolidated |
|------------------------|---|---|-----------------------------------|--|--|-----------------------|---|-----------------------------------|-----------------------------|---------------------------------|---|---|
|                        |   |   |                                   | Number of shares   | Amount of investment in Associate/ Joint Venture |                       |   | Total Profit/ (loss) for the year | Considered in consolidation | Not considered in consolidation |   |   |
| <b>Joint Ventures:</b> |   |   |                                   |  |  |                       |   |                                   |                             |                                 |   |   |
| 1                      | DLF Gayatri Home Developers Private Limited     | 6 August 2008                             | 31 March 2018                     | 5,000  | 0.50   | 50.00                 | -84.53  | -91.88                            | -45.94                      | -45.94                          | Note (a)  | -   |
| 2                      | DLF SBPL Developers Private Limited             | 14 May 2007                               | 31 March 2018                     | 5,000  | 0.50   | 50.00                 | -99.21  | -36.89                            | -18.44                      | -18.44                          | Note (a)  | -   |
| 3                      | YG Realty Private Limited                       | 2 July 2009                               | 31 March 2018                     | 750,100  | 75.01  | 50.00                 | 5,084.09  | -672.71                           | -336.36                     | -336.36                         | Note (a)  | -   |
| 4                      | DLF Urban Private Limited                       | 21 December 2015                          | 31 March 2018                     | 4,640,093  | 2,041.06   | 50.00                 | 13,411.99   | -47.75                            | -23.88                      | -23.87                          | Note (a)  | -   |
| 5                      | DLF Midtown Private Limited                     | 21 December 2015                          | 31 March 2018                     | 11,241,547   | 2,373.50   | 50.00                 | 39,379.97   | -286.79                           | -143.40                     | -143.39                         | Note (a)  | -   |
| 6                      | Joyous Housing Limited                          | 7 May 2004                                | 31 March 2018                     | 37,500   | 37.50  | 37.50                 | 1,351.77  | -358.57                           | -134.46                     | -224.11                         | Note (a)  | -   |
| 7                      | Designplus Associates Services Private Limited  | 8 December 2010                           | 31 March 2018                     | 125,000  | 5,000.00   | 42.49                 | 344.70  | 42.63                             | 18.11                       | 24.52                           | Note (a)  | -   |
| 8                      | DLF Cyber City Developers Limited (DCCDL Group) | 26 December 2017                          | 31 March 2018                     | 1,509,294,198  | 150,929.42                                       | 66.66                 | 516,764.10  | 34,686.77                         | 23,129.14                   | 11,557.63                       | Note (e)  | -   |
| <b>Associates:</b>     |   |   |                                   |  |  |                       |   |                                   |                             |                                 |   |   |
| 1                      | DLF Homes Panchkula Private Limited             | 26 August 2014                            | 31 March 2018                     | 24,669   | 9,728.46   | 39.54                 | -2,534.84   | -10,908.62                        | -4,313.27                   | -6,595.35                       | Note (a)  | -   |
| 2                      | Arizona Globalservices Private Limited#         | 5 August 2013                             | 31 March 2018                     | 100,000,000  | 10,000.00  | -                     | -   | 701.20                            | 245.21                      | 455.99                          | Note (b)  | -   |

# These amounts have been traced from unaudited financial statements.

#### Notes:

- There is significant influence due to percentage (%) of Share Capital held.
- DLF Home Developers Limited ('Investor'), a wholly-owned subsidiary of DLF Limited, is holding Compulsorily Convertible Preference Shares ('CCPS') in Arizona Globalservices Private Limited ('Arizona'), being potential equity shares. These CCPS are open for conversion at the option of the investor. If these CCPS are converted (also considering other terms and conditions of the arrangement) between said parties, it will ensure significant influence over Arizona. Hence, it has been classified as an associate.
- Names of associates or joint ventures which are yet to commence operations - None.
- Names of associates or jointly controlled entities which have been liquidated or sold during the year - None.
- DLF Cyber City Developers Limited (DCCDL) group comprising investment in DLF Cyber City Developers Limited along with its subsidiaries Caraf Builders & Constructions Private Limited, DLF Assets Private Limited, DLF City Centre Limited, DLF Emporio Limited, DLF Info City Developers (Chandigarh) Limited, DLF Info City Developers (Kolkata) Limited, DLF Power & Services Limited, DLF Promenade Limited, Richmond Park Property Management Services Limited w.e.f. 26 December 2017 [also refer note 44(a) of consolidated financial statements].
- GSG DRDL Consortium & Banjara Hills Hyderabad Complex are joint arrangements. However, share of assets, liabilities, income and expenses have been considered in the financials of DLF Home Developers Limited, a wholly-owned subsidiary of DLF Limited.

The above statement also indicates performance and financial position of each of the associate companies and joint ventures.

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

**Saurabh Chawla**  
Group Chief Financial Officer

**Subhash Setia**  
Company Secretary

**Mohit Gujral**  
CEO & Whole-time Director  
DIN: 00051538

**Rajeev Talwar**  
CEO & Whole-time Director  
DIN: 01440785

**Rajiv Singh**  
Vice Chairman  
DIN: 00003214

New Delhi  
21 May 2018

## Notice

**Notice** is hereby given that the **53<sup>rd</sup>** Annual General Meeting (AGM) of the Members of DLF Limited will be held on **Monday, the 24 September 2018 at 2.30 P.M. at DLF Club 5, Opposite Trinity Tower, Club Drive, DLF5, Gurugram - 122 002 (Haryana)** to transact the following business:

### Ordinary Business:

- (a) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2018 together with the Reports of Board of Directors and Auditors thereon.  
(b) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2018 together with the Report of Auditors thereon.
- To confirm interim dividend and to declare final dividend on equity shares for the financial year 2017-18.
- To appoint a Director in place of Mr. Mohit Gujral (DIN 00051538), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Rajeev Talwar (DIN 01440785), who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

- To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s R.J. Goel & Co., Cost Accountants (FRN 000026), appointed by the Board of Directors (the “Board”) to conduct the audit of the cost records pertaining to real estate development activities of the Company for the financial year ended 31 March 2018, amounting to ₹ 3.25 lakhs (Rupees three lakhs twenty five thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds, things and matters and give all such directions as it may in its absolute discretion deem necessary, proper or expedient to give effect to this resolution.”

- To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149 & 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vivek Mehra (DIN 00101328), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company w.e.f. 13 February 2018 and who holds office up to the date of this Annual General Meeting (AGM), in terms of Section 161 of the Act read with Article 101(2) of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 12 February 2023.”

**By Order of the Board**  
for **DLF LIMITED**

New Delhi  
10 August 2018

Regd. Office: Shopping Mall  
3<sup>rd</sup> Floor, Arjun Marg  
Phase-I, DLF City  
Gurugram - 122 002, Haryana  
CIN: L70101HR1963PLC002484  
Telephone No.: +91-124-4334200  
Website: [www.dlf.in](http://www.dlf.in)  
e-mail: [investor-relations@dlf.in](mailto:investor-relations@dlf.in)

**Subhash Setia**  
*Company Secretary*

### Notes:

- A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the meeting. Blank Proxy Form is annexed.**

**A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") in respect of special business being item nos. 5 and 6 set-out above to be transacted at the meeting is annexed hereto and forms part of this Notice.
  3. The requirement to place the matter relating to ratification of appointment of Statutory Auditors by members at every AGM has been done away with vide amendment in Section 139 of the Act, notified by the Ministry of Corporate Affairs on 7 May 2018. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 52<sup>nd</sup> AGM held on 29 September 2017.
  4. The details of Directors seeking appointment/re-appointment, in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'] and the Companies Act, 2013 (including Secretarial Standard-2), are given in the Corporate Governance Report and also annexed hereto and forms part of this Notice.
  5. Attendance slip and the Route map of the venue of the Meeting (including prominent land mark) is annexed to the Notice.
  6. Karvy Computershare Private Limited (Karvy), [Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032; Phone No. 040-67161514; Fax No. 040-23420814; e-mail: einward.ris@karvy.com; Website: [www.karvy.com](http://www.karvy.com); Contact Person: Ms. Varalakshmi, Assistant General Manager (RIS)] is the Registrar and Share Transfer Agent (RTA) for Physical Shares. Karvy is also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). However, keeping in view the convenience of the members, documents relating to shares will continue to be accepted by Karvy at (i) 305, New Delhi House, 27, Barakhamba Road, New Delhi - 110 001; Ph.: 011-43681700; (ii) Registered Office of the Company; and also (iii) Corporate Affairs Department, DLF Gateway Tower, R Block, DLF City, Phase - III, Gurugram - 122 002.
  7. Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
  8. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, 17 September 2018 to Monday, 24 September 2018** (both days inclusive) for determining eligibility for payment of dividend, if declared at the meeting.
  9. The final dividend, if declared at the meeting will be paid on or before **Wednesday, 24 October 2018** to those members or their mandates: (a) whose names appear as beneficial owners at the end of the business hours on **Friday, 14 September 2018** in the list of beneficial owners to be furnished by the depositories (i.e. NSDL and CDSL) in respect of the shares held in electronic form; and (b) whose names appear as members in the Company's Register of Members after giving effect to valid transfer requests in physical form lodged with the Company or its Registrar & Share Transfer Agent (RTA) on or before **Friday, 14 September 2018**.
  10. Relevant documents referred to in the Notice and statutory registers are open for inspection at the Registered Office and/ or Corporate Office of the Company at DLF Gateway Tower, R Block, DLF City, Phase - III, Gurugram - 122 002 on all working days, between 2.00 to 4.00 P.M. up to the date of the AGM and shall also be available for inspection at the AGM.
  11. The Auditors' Certificate under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be available for inspection at the AGM.
  12. The Listing Regulations have mandated that for making dividend payments, companies shall use electronic clearing services (local, regional or national), direct credit, Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT) etc. The Company and the RTA are required to seek relevant bank details of the shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also mandatory to print the bank details on the physical instrument, if the payment is made in physical mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective Depository Participants for the shares held in dematerialised form and with the RTA in respect of shares held in physical form.
  13. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank mandates, nominations, power of attorney, change in address and e-mail ids etc. to their respective Depository Participants. Changes intimated to the Depository Participants will be automatically reflected in the Company's record which will help the Company and RTA to provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to the RTA under the signatures of first/ joint holder(s).
- As mandated by SEBI, members holding shares in physical mode are also requested to submit Permanent Account Number (PAN) and bank account details to the Company/ Karvy, if not already submitted.

14. Members desirous of obtaining any information/ clarification(s), intending to raise any query concerning the financial statements and operations of the Company, are requested to forward the same at least 7 days prior to the date of the meeting to the Company Secretary at the Registered Office/ Corporate Office of the Company, so that the same may be attended to appropriately.

15. (a) The Company has transferred the unpaid/ unclaimed dividends declared up to the financial year 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) Authority established by the Central Government. The Company has uploaded the details of unpaid/ unclaimed dividends lying with the Company as on 29 September 2017 (date of previous AGM) on the website of the Company and the same can be accessed through the link: "[http://www.dlf.in/investorrelations/shareholders information](http://www.dlf.in/investorrelations/shareholders%20information)". The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in)

**(b) Adhering to the various requirements set-out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, as amended, the Company has, during the financial year 2017-18, transferred to the IEPF Authority, all shares in respect of which dividend had remained unpaid/ unclaimed for seven consecutive years or more as on the due date of transfer i.e. 31 October 2017. Details of shares transferred to IEPF Authority are available on the website of the Company and the same can be accessed through the link: "[http://www.dlf.in/investorrelations/shareholders information](http://www.dlf.in/investorrelations/shareholders%20information)". The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).**

**(c) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the web-link: <http://iepf.gov.in/IEPFA/refund.html> or contact Karvy for lodging claim for refund of shares and/ or dividends from the IEPF Authority.**

16. Further, all shareholders, whose dividend is unclaimed pertaining to FY 2010-11 are requested to lodge their claim with RTA/ Company by submitting an application supported by an indemnity on or before 4 September 2018. Reminder letters for claiming unpaid dividend are sent from time to time to the shareholders who have not claimed their dividend.

Members who have not encashed their dividend warrants within their validity period may write to the

Company at its Registered Office/ Corporate Office or Karvy Computershare Private Limited, Registrar & Share Transfer Agent of the Company for obtaining duplicate warrants/ or payments in lieu of such warrants in the form of the demand draft.

Public notices were published and individual reminder letters were sent to those shareholders whose dividend is not claimed/ unpaid for seven consecutive years or more.

17. SEBI vide its notification dated 8 June 2018 has amended the Listing Regulations and has mandated that transfer of securities would be carried out in dematerialised form only effective 5 December 2018. Accordingly, request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with the depository with effect from 5 December 2018. Therefore, RTA and the Company will not be accepting any request for transfer of shares in physical form with effect from 5 December 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a demat account or alternatively, contact the office of the RTA to guide you for the demat procedure.

18. In terms of the provisions of the Companies Act, 2013, notice of the AGM may be served on the members through electronic means. Members who have registered their e-mail Ids with depositories or with the Company are being sent this Notice along with attendance slip and proxy form by e-mail and the members who have not registered their e-mail Ids will receive the Notice through post/ courier.

**In order to receive faster communications and to enable the Company to serve the members better and to promote green initiatives, the members are requested to provide/ update their e-mail Ids with their respective Depository Participants (DPs) or e-mail at [dlf.cs@karvy.com](mailto:dlf.cs@karvy.com) to get the Annual Report and other documents/ communication on such e-mail address.**

**Members holding shares in physical form are also requested to intimate their e-mail addresses to the RTA/ Company either by e-mail at [dlf.cs@karvy.com](mailto:dlf.cs@karvy.com) or [investor-relations@dlf.in](mailto:investor-relations@dlf.in) by sending a communication at the address mentioned at Note 6 above or at the Registered Office/ Corporate Office of the Company.**

19. Members may also note that the Notice along with attendance slip and proxy form will also be available on the Company's website [www.dlf.in](http://www.dlf.in) and also on the Karvy's website <https://evoting.karvy.com>

## 20. Voting through electronic means

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, the Company is pleased to provide members the facility to exercise their right to vote at the 53<sup>rd</sup> AGM by electronic means. The members may cast their votes using an electronic system from a place other than the venue of the Meeting ('remote e-voting').
- II. The Company has engaged the services of Karvy Computershare Private Limited ('Karvy') as the agency to provide remote e-voting facility.
- III. The facility for voting either through electronic voting system or polling paper shall also be made available at the AGM and the members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their rights at the AGM.
- IV. The members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again and if any member casts a vote at the AGM, then such vote will be considered invalid.
- V. The Company has appointed Mr. Ashok Tyagi, Company Secretary in whole-time practice as Scrutinizer and Mr. Vineet K. Chaudhary, Company Secretary in whole-time practice as alternate Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. They have given their consents for such appointment.
- VI. **The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Monday, 17 September 2018. A person who is not a member as on the cut-off date should treat this Notice for information only.**
- VII. **A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the Depositories as on the cut-off date, i.e. Monday, 17 September 2018 only shall be entitled to avail the facility of remote e-voting/ voting at the AGM.**
- VIII. Any person, who acquires shares and become member of the Company after the despatch of the Notice and holds shares as on the cut-off date i.e. **Monday, 17 September 2018** may obtain the login ID and password in the manner mentioned below:

- (a) If the mobile number of the member is registered against Folio No./ DP ID - Client ID, the member may send SMS: **MYEPWD** <space> e-voting Event Number + Folio No. or DP ID Client ID to **9212993399**

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

- (b) If e-mail address or mobile number of the member is registered against Folio No./ DP ID-Client ID, then on the home page of **<https://evoting.karvy.com>**, the member may click "Forgot Password" and enter Folio No. or DP ID-Client ID and PAN to generate a password.
- (c) Member may call Karvy's toll free number 1800 345 4001 for any assistance.
- (d) Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com).

If the member is already registered with Karvy for remote e-voting then he can use his existing user ID and password/ PIN for casting vote through remote e-voting.

- IX. The remote e-voting period will commence from **Wednesday, 19 September 2018 (9.30 A.M.)** and end on **Sunday, 23 September 2018 (5.00 P.M.)**. The e-voting module shall be disabled by Karvy for voting thereafter. **Once the vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently or cast the vote again.**

The instructions for e-voting are as under:

### A. In case of Members receiving e-mail from Karvy:

- (i) Open the e-mail and open PDF file viz. "DLF e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: **<https://evoting.karvy.com>**
- (iii) Enter the login credentials.
- (iv) After entering the details appropriately, click on "Login".

- (v) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*,#,@, etc.). The system will prompt you to change your password and update your contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) You need to login again with your new credentials.
- (vii) Select “EVEN” of DLF Limited and click on - ‘Submit’.
- (viii) On the voting page, number of shares as held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/ dissenting to the Resolution(s) then enter all shares and click FOR/ AGAINST as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.
- (ix) Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat account.
- (x) Cast your vote by selecting an appropriate option and click on “Submit”. A confirmation box will be displayed. Click “Ok” to confirm else “Cancel” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution(s).
- (xi) Once the vote on the resolution(s) is cast by a member, such member shall not be allowed to change it subsequently.
- (xii) Institutional shareholders (i.e. other than individuals, Hindu Undivided Family (HUF), Non-resident Indian (NRI), etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizers through e-mail at [dlfscrutinizer@gmail.com](mailto:dlfscrutinizer@gmail.com) or [dlfevoting@dlf.in](mailto:dlfevoting@dlf.in) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “Corporate Name EVENT NO.”
- B. In case of members receiving physical copy of the Notice:**
- (i) Initial password, along with User ID and EVEN (E-voting Event Number) is provided in the table given in the Ballot Form.
- (ii) Please follow all steps from S. No. (ii) to (xii) given above to cast your vote.
- C. Other instructions:**
- (i) In case of any query, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Ms. Varalakshmi of Karvy Computershare Private Limited, at 040-67161514 or at Tel. No. 1800 345 4001 (toll free).
- (ii) If you are already registered with Karvy for e-voting then you can use your existing user ID and password for casting your vote.
- X. The Scrutinizer(s) shall immediately after the conclusion of voting at the meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers’ Report of the votes cast in favour or against, if any, not later than 48 (forty eight) hours of conclusion of the meeting to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or any other person authorized by him in writing shall declare the results of the voting forthwith.
- XI. The Results declared along with the Scrutinizers’ Report shall be placed on the Company’s website [www.dlf.in](http://www.dlf.in) and on the website of Karvy immediately after the results are declared by the Chairman or any other person authorized by him. The Company shall, simultaneously, forward the results to the concerned stock exchanges where its equity shares are listed.



**21. Members are requested:**

- (a) To bring Attendance Slip duly completed and signed at the meeting and not to carry briefcase or bag inside the meeting venue for security reasons;
- (b) To quote their Folio No./ DP ID - Client ID and e-mail Id in all correspondence; and
- (c) To please note that **no gift/ gift coupon/ refreshment coupon** will be distributed at the meeting.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 5**

The Board of Directors (the "Board") of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s R.J. Goel & Co., Cost Accountants (FRN 000026) as Cost Auditors to conduct the audit of cost records pertaining to real estate development activities of the Company for the financial year ended 31 March 2018.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, consent of the members is being sought by way of an ordinary resolution for ratification of the remuneration payable to the Cost Auditor for the financial year 2017-18.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set-out at Item No. 5.

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

**ITEM NO. 6**

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the 'Act') and Article 101(2) of the Articles of Association ('AOA') of the Company, Mr. Vivek Mehra was appointed as an Additional Director (in the capacity of Independent Director) of the Company on 13 February 2018. Accordingly, he shall hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a member proposing the candidature of Mr. Vivek Mehra for the office of Director of the Company.

Mr. Vivek Mehra has given a declaration to the Board of Directors that he meets the criteria of independence as provided under Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In the opinion of the Board, Mr. Mehra fulfils the conditions for his appointment as an Independent Director in terms of Section 149 of the Act and Listing Regulations and is independent of the management of the Company.

Brief resume of Mr. Mehra and nature of his expertise in specific functional areas has been provided in the Corporate Governance Report forming part of the Annual Report. Further, the details required in terms of Listing Regulations and other applicable provisions of the Act are attached & form part of this Notice.

The terms and conditions of appointment of Mr. Mehra as an Independent Director would be available for inspection free of cost by the members at the Registered Office/ Corporate Office of the Company and shall also be disclosed on the website of the Company.

Keeping in view his vast experience, expertise and knowledge, it would be in the interest of the Company that Mr. Mehra be appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 12 February 2023.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except, Mr. Vivek Mehra is concerned or interested, financially or otherwise, in the resolution set-out at Item No. 6.

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

**By Order of the Board**  
for **DLF LIMITED**

New Delhi  
10 August 2018

**Subhash Setia**  
*Company Secretary*

Regd. Office: Shopping Mall  
3<sup>rd</sup> Floor, Arjun Marg, Phase-I, DLF City  
Gurugram - 122 002, Haryana  
CIN: L70101HR1963PLC002484  
Telephone No.: +91-124-4334200  
Website: [www.dlf.in](http://www.dlf.in)  
e-mail: [investor-relations@dlf.in](mailto:investor-relations@dlf.in)

**Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting**

**[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

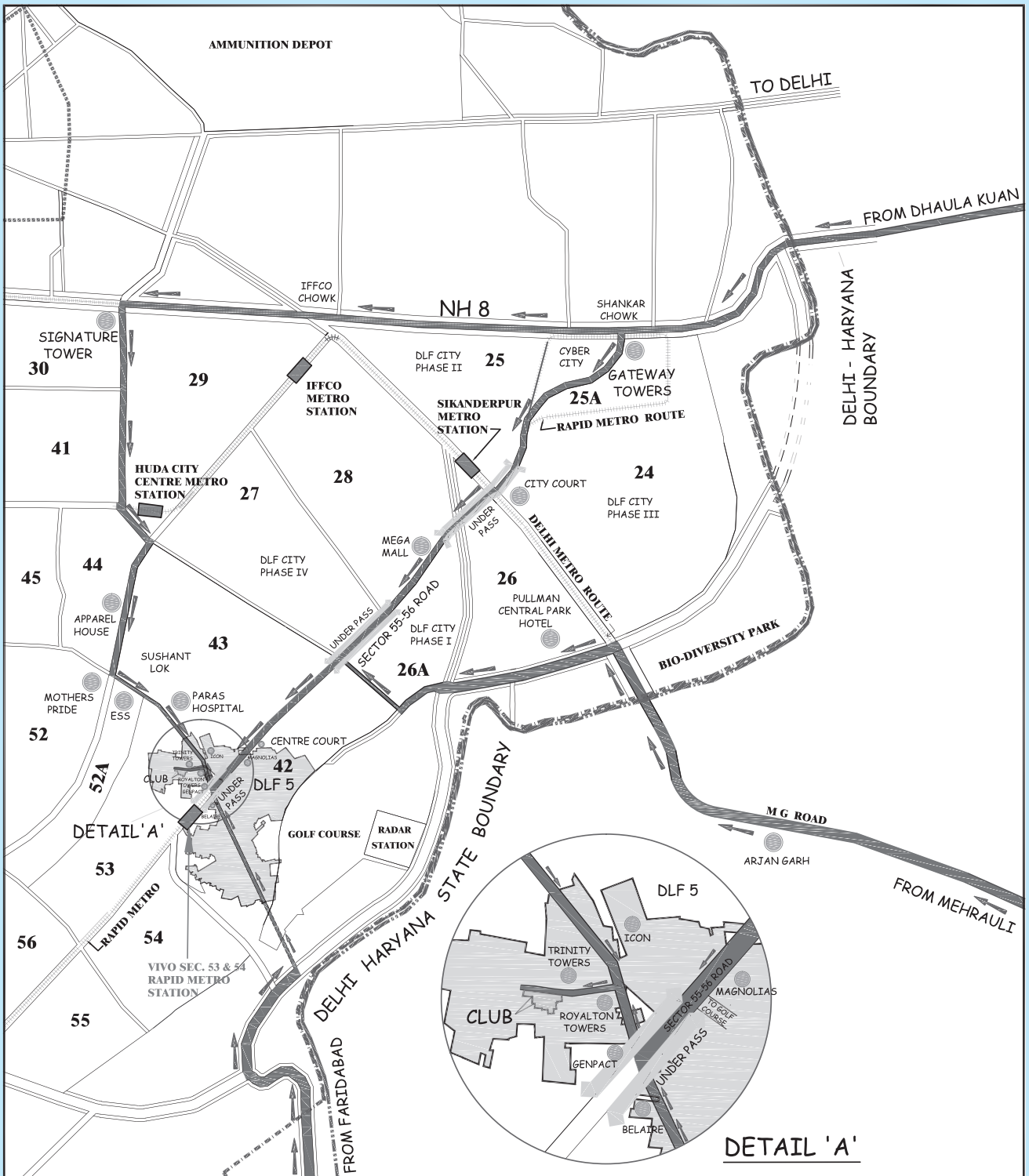
| <b>Name of Director</b>                               | <b>Mr. Mohit Gujral</b>  | <b>Mr. Rajeev Talwar</b>  | <b>Mr. Vivek Mehra</b>  |
|---|--|---|---|
| <b>DIN</b>  | 00051538   | 01440785  | 00101328  |
| <b>Date of Birth</b>                                  | 25.08.1959   | 23.12.1954  | 21.04.1955  |
| <b>Age (years)</b>                                    | 59   | 64  | 63  |
| <b>Date of Appointment</b>                            | 14.02.2014   | 14.02.2014  | 13.02.2018  |
| <b>Qualification(s)</b>                               | B. Arch., C.E.P.T., Ahmedabad  | Masters from St. Stephen's College, Delhi University, IAS 1978 Batch  | B.Com (Hons.), FCA  |
| <b>Number of Shares held</b>                          | Nil  | 4,32,072  | 2,225   |
| <b>Expertise in specific functional areas</b>         | Renowned architect and business leader with industry and General Management experience of over 26 years.   | Over 30 years diverse experience with Central/ State Governments including public sector enterprises and real estate development.   | Over 35 years of experience in tax, regulatory, M&A tax structuring and consulting space.   |
| <b>Other Directorship(s)</b>                          | Delanco Buildcon Private Limited<br>DLF Universal Limited<br>Glensdale Enterprise Development Private Limited<br>Gujral Design Plus Overseas Private Limited<br>Mohit Design Management Private Limited<br>Prima Associates Private Limited<br>Span Fashions Limited<br>Wagishwari Estates Private Limited | Dalmia Promoters and Developers Private Limited<br>DLF Info Park Developers (Chennai) Limited<br>DLF Universal Limited<br>Joyous Housing Limited<br>PHD Chamber of Commerce and Industry@ | Bharat Hotels Limited<br>Clean Solar Power (Hiriyur) Private Limited<br>Embassy Office Parks Management Services Private Limited<br>Grassroot Trading Network For Women@<br>HT Media Limited<br>Jubilant Life Sciences Limited<br>RHT Health Trust Pte. Ltd.^ |
| <b>Committee Positions in other Public Companies#</b> | Nil  | Nil   | <b>Audit Committee-Member</b><br>Bharat Hotels Limited  |
| <b>Relationships between Directors inter-se</b>       | Nil  | Nil   | Nil   |

@ Company registered under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013).

^ A company incorporated outside India.

# Pursuant to Regulations 26 of the Listing Regulations, Membership of only Audit and Stakeholders Relationship Committee of public limited companies has been considered.

# Route Map of AGM Venue



LOCATION MAP OF DLF CLUB 5, DLF5, GURUGRAM





# DLF LIMITED

Regd. Office: Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg, Phase-I  
DLF City, Gurugram – 122 002, Haryana  
CIN: L70101HR1963PLC002484; Telephone No. 91-124-4334200  
Website: [www.dlf.in](http://www.dlf.in); e-mail: [investor-relations@dlf.in](mailto:investor-relations@dlf.in)



## ATTENDANCE SLIP

53<sup>rd</sup> ANNUAL GENERAL MEETING - Monday, 24 September 2018 AT 2.30 P.M.

|                       |  |  |
|-----------------------|--|--|
| DP Id*                |  | NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER/PROXY |
| Client Id*/ Folio No. |  |  |
| No. of Share(s)       |  |  |

I/We certify that I/We am/are registered shareholder/proxy of the Company.

I/We hereby record my/our presence at the 53<sup>rd</sup> Annual General Meeting of the Company on **Monday, 24 September 2018 at DLF Club 5, Opposite Trinity Tower, Club Drive, DLF5, Gurugram - 122 002 (Haryana).**

NOTE: Please complete this and hand it over at the entrance of the hall.

\* Applicable for shares held in electronic form.

Signature

No Gift/ Gift Coupon / Refreshment Coupon will be distributed at the Meeting

# DLF LIMITED

Regd. Office: Shopping Mall, 3<sup>rd</sup> Floor, Arjun Marg, Phase-I  
DLF City, Gurugram – 122 002, Haryana  
CIN: L70101HR1963PLC002484; Telephone No. 91-124-4334200  
Website: [www.dlf.in](http://www.dlf.in); e-mail: [investor-relations@dlf.in](mailto:investor-relations@dlf.in)



## PROXY FORM

53<sup>rd</sup> ANNUAL GENERAL MEETING - Monday, 24 September 2018 AT 2.30 P.M.

|   |  |  |  |
|---|--|--|--|
| Name of the Member(s):<br>Registered address: |  | e-mail Id:<br>Folio No./Client Id*:<br>DP Id*: |  |
|---|--|--|--|

I/We being the member(s) holding..... shares hereby appoint:

- Name.....Address:.....e-mail Id:..... or failing him/her;
- Name.....Address:.....e-mail Id:..... or failing him/her;
- Name.....Address:.....e-mail Id:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **53<sup>rd</sup> Annual General Meeting** of the Company, to be held on **Monday, 24 September 2018 at DLF Club 5, Opposite Trinity Tower, Club Drive, DLF5, Gurugram - 122 002 (Haryana) at 2.30 P.M.** and at any adjournment thereof in respect of such resolutions as are indicated below:

| Res. No. | Resolution   | For# | Against# |
|----------|--|------|----------|
| 1.       | Adoption of Financial Statements (including the Consolidated Financial Statements) for the financial year ended 31 March 2018. |      |          |
| 2.       | Confirmation of Interim Dividend and Declaration of Final Dividend for the financial year 2017-18.                             |      |          |
| 3.       | Re-appointment of Mr. Mohit Gujral, who retires by rotation.   |      |          |
| 4.       | Re-appointment of Mr. Rajeev Talwar, who retires by rotation.  |      |          |
| 5.       | Approval/ Ratification of remuneration payable to Cost Auditor.  |      |          |
| 6.       | Appointment of Mr. Vivek Mehra as an Independent Director.   |      |          |

\* Applicable for shares held in electronic form.

Affix  
₹ 0.30

Revenue  
Stamp

Signed this ..... day of .....2018

Signature of shareholder(s)

Signature of proxy holder(s)

P.T.O.

**Notes:**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement 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 a 'X' or '✓' in the appropriate column against the resolution(s) indicated in the Box. If you leave the 'For'/or 'Against' column blank against any or all the resolutions, 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 so desire.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be mentioned.



DLF Cybercity Chennai 3.0 (Block 2)





# AWARDS & ACCOLADES OF THE GROUP



## DLF Limited

Corporate Office: DLF Gateway Tower, R Block, DLF City,  
Phase - III, Gurugram - 122 002 (Haryana)  
Tel: 91-124-4396000, Website: www.dlf.in

Registered Office: Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Phase-I,  
Gurugram - 122 002, Haryana. Tel: 91-124-4334200

CIN: L70101HR1963PLC002484