

INDEPENDENT AUDITOR'S REPORT

To the Members of DLF Midtown Private Limited

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

We have audited the accompanying Ind AS financial statements of DLF Midtown Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with



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

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

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

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

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

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

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



Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.
 - (g) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 31 to the Ind AS financial statements;



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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief and as disclosed in note 40 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief and as disclosed in note 40 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks and review of Service Organisation Controls report, the Company has used accounting software which is operated by a third party service provider for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, for the reasons stated in note 42 to the financial statements, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention for previous year.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per **Anil Mehta**

Partner

Membership Number: 095812

UDIN: 25095812BMOBBL3830

Place of Signature: Gurugram

Date: May 14, 2025



Annexure 1 referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date

Re: DLF Midtown Private Limited (“the Company”)

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

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a)(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (i) (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i) (c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i) (d) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2025. The Company has not capitalized any intangible assets in the books of the Company.
- (i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories represented by the development rights. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories represented by the development rights have been confirmed on the basis of custodian certificate of land obtained by the management as at March 31, 2025 and no material discrepancies were noticed on such physical verification and confirmations.
- (ii) (b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii) (b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (iii) (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (iii) (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.



- (iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii) (b) The dues of income-tax have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount of Demand (Rs. lakhs)	Amount Deposited under protest. (Rs. lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Penalty Demand u/s 271(1)(c)	4,063.20	-	AY 2016-17	Appeal pending with CIT(A) / NFAC
Income tax Act, 1961	Tax demand on account of transfer pricing adjustment	3,196.89	-	AY 2017-18	Appeal pending with CIT(A)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) Term loans were applied for the purpose for which the loans were obtained.
- (ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix) (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (xii) (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (xii)(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.



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- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) (d) The Group has one Core Investment Company as part of the Group.
- (xvii) The Company has incurred cash losses amounting to Rs. 501.05 lakhs in the current year and amounting to Rs. 200.77 lakhs in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Anil

per **Anil Mehta**

Partner

Membership Number: 095812

UDIN: 25095812BMOBBL3830

Place of Signature: Gurugram

Date: May 14, 2025



Annexure 2 to the Independent Auditor's Report of even date on the Ind AS financial statements of DLF Midtown Private 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 with reference to Ind AS financial statements of DLF Midtown Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to 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 controls with reference to 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 With Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Mehta**

Partner

Membership Number: 095812

UDIN: 25095812BMOBBL3830

Place of Signature: Gurugram

Date: May 14, 2025



DLF Midtown Private Limited

Regd. Office: 15 Shivaji Marg, West Delhi, New Delhi - 110015, India.

CIN: U70102DL2015PTC278986, Email: corporateaffairs@dlf.in

Balance Sheet as at 31 March 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3	0.67	0.09
Other financial assets	4	1,378.29	601.89
Non current tax assets (net)	5	1,334.27	1,273.12
Other non-current assets	6	-	13.48
		<u>2,713.23</u>	<u>1,888.58</u>
Current assets			
Inventories	7	275,980.91	268,109.40
Financial assets			
Cash and cash equivalents	8A	2,511.43	115.19
Other bank balances	8B	7,385.41	317.40
Other financial assets	9	176.15	4,419.52
Other current assets	10	47.29	161.42
		<u>286,101.19</u>	<u>273,122.93</u>
Total Assets		<u>288,814.42</u>	<u>275,011.51</u>
Equity and liabilities			
Equity			
Equity share capital	11	2,248.20	2,248.20
Other equity	12	138,633.79	132,654.18
Total equity		<u>140,881.99</u>	<u>134,902.38</u>
Non-current liabilities			
Financial Liabilities			
Borrowings	13	62,314.89	130,189.86
Other financial liabilities	14	1,311.99	1,549.01
Provisions	19	6.29	6.11
		<u>63,633.17</u>	<u>131,744.98</u>
Current liabilities			
Financial Liabilities			
Borrowings	15	79,859.94	6,688.21
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	16	363.84	597.70
- total outstanding dues of creditors other than micro enterprises and small enterprises	16	535.21	760.50
Other financial liabilities	17	3,236.89	271.42
Other current liabilities	18	300.32	46.15
Provisions	19	3.06	0.17
		<u>84,299.26</u>	<u>8,364.15</u>
Total liabilities		<u>147,932.43</u>	<u>140,109.13</u>
Total equity and liabilities		<u>288,814.42</u>	<u>275,011.51</u>

Summary of material accounting policies

2.2

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

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

For and on behalf of Board of Directors

DLF Midtown Private Limited

per Anil Mehta
Partner

Membership Number: 095812



Vineet Kanwar
Vineet Kanwar
Director
DIN: 00522258
Place: Gurugram

Rajeev Singh
Rajeev Singh
Director
DIN: 02669832
Place: Noida



Atul Aggarwal
Atul Aggarwal
Company Secretary
M.No.: A15886
Place: Gurugram

Rajat Tayal
Rajat Tayal
Chief Financial Officer
Place: Gurugram
Date: 14 May 2025

Place: Gurugram

Date: 14 May 2025

DLF Midtown Private Limited

Regd. Office: 15 Shivaji Marg, West Delhi, New Delhi - 110015, India.

CIN: U70102DL2015PTC278986, Email: corporateaffairs@dlf.in

Statement of Profit and Loss for the year ended 31 March 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Other income	20	134.06	1.43
Total income (I)		134.06	1.43
Expenses			
Employee benefit expenses	21	139.13	26.00
Finance costs	22	0.04	0.02
Depreciation	3	0.23	0.23
Other expenses	23	495.84	176.18
Total expense (II)		635.24	202.43
(Loss) for the year (III)=(I)-(II)		(501.18)	(201.00)
Tax expense			
Current tax		-	-
Tax pertaining to earlier years		0.10	-
Deferred tax		-	-
(Loss) for the year		(501.28)	(201.00)
Other comprehensive income			
Items that will not be reclassified to profit and loss in subsequent periods			
Re-measurement (gain) on defined benefit plans		(0.68)	(3.40)
Total comprehensive (loss) for the year		(500.60)	(197.60)
(Loss) per equity share (face value of ₹ 10 per share)			
Basic and diluted (₹)	24	(0.23)	(0.09)

Summary of material accounting policies

2.2

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

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

For and on behalf of Board of Directors

DLF Midtown Private Limited


per Anil Mehta
Partner

Membership Number: 095812



Place: Gurugram
Date: 14 May 2025




Vineet Kanwar

Director

DIN: 00522258

Place: Gurugram



Atul Aggarwal

Company Secretary

M.No.: A15886

Place: Gurugram



Rajeev Singh

Director

DIN: 02669832

Place: Noida



Rajat Tayal

Chief Financial Officer

Place: Gurugram

Date: 14 May 2025

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
A Cash flow from operating activities			
(Loss) before tax		(501.18)	(201.00)
Adjustment for:			
Depreciation expense		0.23	0.23
Finance costs		0.04	0.02
Interest received on income-tax refunds		(0.21)	(0.40)
Liability written back		(3.85)	(1.03)
Operating (loss) before working capital changes		(504.97)	(202.18)
Working capital adjustments:			
(Increase) in inventories		(6,944.88)	(5,270.81)
Decrease in other current and non-current assets		127.61	206.72
Decrease in other current and non-current financial assets / loans		4,243.37	-
Decrease in other financial assets		-	482.67
Increase / (decrease) in current and non-current provisions		3.75	(2.87)
Increase / (decrease) in other current and non-current liabilities		254.17	(24.99)
(Decrease) in current and non-current trade payables		(455.34)	(190.83)
Net cash used in operations		(3,276.29)	(5,002.29)
Direct tax paid (net)		(61.04)	(754.37)
Net cash flows used in operating activities (A)		(3,337.33)	(5,756.66)
B Cash flow from investing activities			
Interest received		251.82	67.62
Purchase of Property, plant and equipment		(0.81)	-
Investment in fixed deposits with maturities for more than three months (net)		(7,622.25)	(186.88)
Net cash used in investing activities (B)		(7,371.24)	(119.26)
C Cash flow from financing activities			
Interest paid (including bank charges)		(4,182.77)	(6,155.08)
Repayment of non-current borrowings (including current maturities)		(55,884.15)	12,460.12
Proceeds from current borrowings (including current maturities)		79,859.94	-
Repayment of current borrowings		(6,688.21)	(391.65)
Net cash flows from financing activities (C)		13,104.81	5,913.39
Net increase in cash and cash equivalents (A+B+C)		2,396.24	37.47
Cash and cash equivalents at the beginning of the year		115.19	77.72
Cash and cash equivalents at year end		2,511.43	115.19
Cash and cash equivalents at end comprises of:			
Balances with banks in current accounts (refer note 8A)		2,511.43	115.19
		2,511.43	115.19

Summary of material accounting policies

2.2

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

As per our audit report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

per Anil Mehta
Partner

Membership Number: 095812



Place: Gurugram
Date: 14 May 2025

For and on behalf of Board of Directors
DLF Midtown Private Limited

Vineet Kanwar
Director
DIN: 00522258
Place: Gurugram

Rajeev Singh
Director
DIN: 02669832
Place: Noida

Atul Aggarwal
Company Secretary
M.No.: A15886
Place: Gurugram

Rajat Tayal
Chief Financial Officer
Place: Gurugram
Date: 14 May 2025

A. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid (refer note 11)

As at 1 April 2023

Issue of share capital during the year

As at 31 March 2024

Issue of share capital during the year

As at 31 March 2025

Number	Amount
22,481,957	2,248.20
-	-
22,481,957	2,248.20
-	-
22,481,957	2,248.20

B. Other Equity

For the year ended 31 March 2025 and 31 March 2024

Particulars	Equity component of convertible debentures (refer note 12)	Reserves and surplus		Total other equity
		Securities premium (refer note 12)	Retained earnings (refer note 12)	
As at 1 April 2023	113,759.05	15,309.00	(1,948.74)	127,119.31
(Loss) for the year	-	-	(201.00)	(201.00)
Other comprehensive income for the year	-	-	3.40	3.40
Transfer from liability component to equity component (refer note 30)	5,732.47	-	-	5,732.47
As at 31 March 2024	119,491.52	15,309.00	(2,146.34)	132,654.18
(Loss) for the year	-	-	(501.28)	(501.28)
Other comprehensive income for the year	-	-	0.68	0.68
Transfer from liability component to equity component (refer note 30)	6,480.21	-	-	6,480.21
As at 31 March 2025	125,971.73	15,309.00	(2,646.94)	138,633.79

In the absence of adequate profits, the Company has not created Debenture redemption reserve (DRR) as required under section 71 of the Companies Act 2013

Summary of material accounting policies (refer note 2.2)

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

As per our audit report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

For and on behalf of Board of Directors

DLF Midtown Private Limited


per Anil Mehta
 Partner

Membership Number: 095812





Vineet Kanwar

Director

DIN: 00522258

Place: Gurugram



Rajeev Singh

Director

DIN: 02669832

Place: Noida





Atul Aggarwal

Company Secretary

M.No.: A15886

Place: Gurugram



Rajat Tayal

Chief Financial Officer

Place: Gurugram

Date: 14 May 2025

Place: Gurugram

Date: 14 May 2025

1 Corporate information

DLF Midtown Private Limited ("the Company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located in 15, Shivaji Marg, New Delhi- 110015. The Company is primarily engaged in the business of construction, development and sale of integrated townships and residential houses and apartments. The Ind AS financial statements for the year ended 31 March 2025 were approved for issue in accordance with a resolution of the board of directors on 14 May 2025.

2 Material accounting policies

2.1 Basis of preparation

The 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 from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a 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, financial liabilities, derivative financial instruments and share based payments which are measured at fair values as explained in relevant accounting policies. The changes in accounting policies are explained in note 2.3.

The financial statements are presented in Rupees and all values are rounded to the nearest lakh, except when otherwise indicated.

2.2 Summary of material 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 at their initial recognition are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that incremental 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. 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 Company 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.



Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated 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	Estimated useful life - (in years)	Estimated useful life as per Schedule II to the Companies Act 2013 (in years)
Computers		
- Desktops, laptops and other devices	3	3

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 statement of profit and loss when the asset is de-recognised.

c. Inventories**Inventories are valued as under****Construction work in progress**

Projects in progress are valued at lower of cost and net realizable value. Cost includes cost of land, development rights, borrowing costs, materials, services and other related overheads.

Cost of development rights: The Company has entered into development agreements with certain group companies for grant of irrevocable, absolute and unfettered rights in respect of land parcel for undertaking the Company's real estate business. As per these agreements, the consideration comprises an upfront monetary consideration and a revenue share of 15% of realizations from the project. The fixed consideration is recognized by the Company upon execution of the development agreement. Revenue share is recognized upon receipt of realizations from the respective customer of each unit.

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. These are valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of

e. 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 authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current 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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

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.



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 reassessed 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.

Goods and service tax/ other indirect taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service tax /other indirect taxes paid, except:

- When the tax incurred on 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.

f. 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

Transactions in foreign currency are initially recorded in the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. 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 initial 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.

g. 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, or when annual impairment testing for an asset is required, 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, including impairment on inventories, are 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.

The Company bases its impairment calculation on detailed budgets and forecast calculation. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

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.

h. Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. 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 recognized 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 unrecognized 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 statement of profit and loss. 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.

i. 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 unrestricted 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.

j. 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. 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 Company 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.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

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.



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k. 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.

(i) Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

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.

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 Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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 Company could be required to repay.

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.

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.

(ii) Non-derivative financial liabilities

Initial recognition and measurement

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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

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.

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.

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.

(iii) 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.

(iv) 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.

I. 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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market of the asset and liability, or
- b) In the absence of a principal market, in the most advantageous market of the asset or liability

The principal or the most advantageous market should be accessible to the Company.

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 inventory. Valuers are selected based on market knowledge, reputation, independence and whether professional standards are maintained.

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 (refer note 2(q) & 33)
- Quantitative disclosures of fair value measurement hierarchy (refer note 33)
- Financial instruments (including those carried at amortised cost) (refer note 33,34)



m. Convertible Debentures

Convertible Debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not premeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

n. Earnings per share

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

o. Revenue from contract or services with customer and other streams of revenue

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

i. Revenue from Contracts with Customers:

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 assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers.

Point of Time:

Revenue from real-estate projects

Revenue is recognised at the Point in Time w.r.t. sale of real estate units, including land, plots, apartments, commercial units, development rights as and when the control passes on to the customer upon completion of performance obligations and intimations to the customers thereof.

Incremental cost of obtaining contract

The incremental cost of obtaining a contract with a customer is recognised as an asset if company expects to recover those costs subject to other conditions of the standard are met. These costs are charged to statement of profit and loss in accordance with the transfer of the property to the customer.

ii. Rebates, early payment rebates and down payment rebates

The Company provides move in rebates / early payment rebates / down payment rebates to the customers. Rebates are offset against amounts payable by the customer and revenue to be recognised. To estimate the variable consideration for the expected future rebates, the Company estimates the expected value of rebates that are likely to be incurred in future and recognises the revenue net of rebates and recognises the refund liability for expected future rebates.



iii. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Upon transfer of goods or services and acceptance by customer, the amount recognised as contract assets is reclassified to trade receivables.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.2(i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

p. Cost of Revenue

Cost of real estate projects

Cost of constructed properties 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.

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 'Revenue from real estate projects', 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.

q. 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 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 Company that have the most significant effect on the financial statements.

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

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

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

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, are described below. The Company based its assumptions and estimates on parameters available when the 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 Company. Such changes are reflected in the assumptions when they occur.



Net realizable value of inventory – The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost. The Company also involves specialist to perform valuations of inventories, wherever required.

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 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.

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.

Impairment of Property plant equipment, and CWIP – Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used.

2.3 Changes in accounting policy and disclosure

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024, but do not have a material impact on the financial statements of the Company.

i. Ind AS 116: Leases

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback. The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

These amendments had no material impact on the financial statements of the Company during the year

ii. Ind AS 117: Insurance

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach); and
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

These amendments had no material impact on the financial statements of the Company during the year.

New and amended standards, not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below, the Company will adopt this new and amended standard, when it becomes effective:

Ind AS 21: The Effects of Changes in Foreign Exchange Rates - The Ministry of Corporate Affairs notified amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, which came into force on 7 May 2025, the date of their publication in the official gazette. The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendment specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

These amendments are not expected to have any material impact on the financial statements of the Company.



3 Property, plant and equipment

The changes in the carrying value of property, plant and equipment for year ended 31 March 2025 and year ended 31 March 2024 are as follows:

Description	Computers	Total
At Cost		
Gross block		
As at 1 April 2023	0.69	0.69
Addition during the year	-	-
As at 31 March 2024	0.69	0.69
Additions during the year	0.81	0.81
As at 31 March 2025	1.50	1.50
Accumulated depreciation		
As at 1 April 2023	0.37	0.37
Charge for the year	0.23	0.23
As at 31 March 2024	0.60	0.60
Charge for the year	0.23	0.23
As at 31 March 2025	0.83	0.83
Net block		
At 31 March 2024	0.09	0.09
At 31 March 2025	0.67	0.67

(i) Contractual Obligation

There are no contractual commitments for the acquisition of property, plant and equipment.

(ii) Capitalised borrowing cost

No borrowing cost capitalised during the current year and previous year

(iii) Property, plant and equipment pledged as security

No property, plant and equipment are pledged as security for borrowings taken by the Company.



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DLF Midtown Private Limited
Notes to the Financial Statements for the year ended 31 March 2025
(All amounts in ₹ lakhs, unless otherwise stated)

4 Other financial assets (Non-current)

	As at 31 March 2025	As at 31 March 2024
Bank deposits with remaining maturity for more than 12 months*	1,378.29	601.89
	<u>1,378.29</u>	<u>601.89</u>

*The Company has pledged deposits amounting to ₹ NIL as on 31 March 2025 (31 March 2024: ₹601.89 lakhs) to fulfil collateral requirements.

5 Non current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance tax and tax deducted at source (net)	134.27	73.12
Tax paid against income tax assessment (Refer note 31)	1,200.00	1,200.00
	<u>1,334.27</u>	<u>1,273.12</u>

6 Other non-current assets

	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	-	9.42
Deposit with statutory authorities under protest (Refer note 31)	-	4.06
	<u>-</u>	<u>13.48</u>

7 Inventories

	As at 31 March 2025	As at 31 March 2024
(Valued at cost or net realisable value, whichever is lower)		
Cost of development rights in land (including stamp duty charges) (refer note 28)	152,907.01	152,907.01
Construction work-in-progress (refer note 29)	123,073.90	115,202.39
	<u>275,980.91</u>	<u>268,109.40</u>

8A Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Balances with banks		
In current accounts	53.76	115.19
In deposits with original maturity of less than 3 months	2,457.67	-
	<u>2,511.43</u>	<u>115.19</u>



8B Other bank balances

	As at 31 March 2025	As at 31 March 2024
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months [#]	7,385.41	317.40
	7,385.41	317.40

[#]The Company has pledged deposits amounting to ₹NIL as on 31 March 2025 (31 March 2024: ₹317.40 lakhs) to fulfil collateral requirements.

Changes in liabilities arising from financing activities

Particulars	Non-current borrowings	Current borrowings	Cash and cash equivalents (including book overdraft)	Total
Net debt as at 1 April 2023	123,378.36	7,079.86	(77.72)	130,380.50
Cash flows	12,460.13	(391.65)	(37.47)	12,031.01
Other non-cash movement				
-Transaction cost adjustment	-	-	-	-
-Adjustment on account of interest on convertible debentures (refer note 13)	(5,648.63)	-	-	(5,648.63)
Net debt as at 31 March 2024	130,189.86	6,688.21	(115.19)	136,762.88
Cash flows	(55,884.17)	73,318.87	(2,396.24)	15,038.46
Other non-cash movement				
-Transaction cost adjustment	-	(147.14)	-	(147.14)
-Adjustment on account of interest on convertible debentures (refer note 13)	(11,990.80)	-	-	(11,990.80)
Net debt as at 31 March 2025	62,314.89	79,859.94	(2,511.43)	139,663.40

9 Other financial assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good unless stated otherwise)		
Due from related parties [refer note 28(ii) and 32]	174.65	4,418.02
Security deposits	1.50	1.50
	176.15	4,419.52

10 Other current assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good unless stated otherwise)		
Advance recoverable in cash or kind		
Considered good	45.69	109.56
Considered doubtful	-	0.40
	45.69	109.96
Prepaid expenses	1.60	10.72
Balances with government / statutory authorities	-	41.14
	47.29	161.82
Less: Allowance for doubtful assets	-	(0.40)
	47.29	161.42



11 Equity share capital

As at
31 March 2025 As at
31 March 2024

Authorised share capital

215,000,000 (31 March 2024 : 215,000,000) equity shares of Rs 10 each

21,500.00 21,500.00
21,500.00 21,500.00

Issued, subscribed and fully paid-up equity share capital

22,481,957 (31 March 2024 : 22,481,957) equity shares of Rs 10 each

2,248.20 2,248.20
2,248.20 2,248.20

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**(i) Authorised share capital****Equity Shares**

Number Amount

As at 1 April 2023

215,000,000 21,500.00

Increase / (decrease) during the year

As at 31 March 2024

215,000,000 21,500.00

Increase / (decrease) during the year

As at 31 March 2025

215,000,000 21,500.00

(ii) Issued, subscribed and fully paid-up equity share capital**Equity Shares**

Number Amount

As at 1 April 2023

22,481,957 2,248.20

Increase/(decrease) during the year

As at 31 March 2024

22,481,957 2,248.20

Increase/(decrease) during the year

As at 31 March 2025

22,481,957 2,248.20

(b) Rights, preferences and restrictions attached to equity shares :

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

(c) Details of shareholders holding more than 5% shares in the company

Equity shares	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% holding	No. of shares	% holding
DLF Home Developers Limited	11,241,547	50.003%	11,241,547	50.003%
Reco Moti Pte Limited	11,240,410	49.997%	11,240,410	49.997%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

There are no equity shares issued as bonus, shares issued for consideration other than cash and bought back during the period of five years immediately preceding the reporting date.

(d) Shares held by promoters / promoter group at the end of the year**As at 31 March 2025**

Name of promoters / promoter group	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
DLF Home Developers Limited	11,241,547	-	11,241,547	50.003%	-
Reco Moti Pte Limited	11,240,410	-	11,240,410	49.997%	-

As at 31 March 2024

Name of promoters / promoter group	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
DLF Home Developers Limited	11,241,547	-	11,241,547	50.003%	-
Reco Moti Pte Limited	11,240,410	-	11,240,410	49.997%	-



12 Other equity

	As at 31 March 2025	As at 31 March 2024
Equity component of convertible debentures	125,971.73	119,491.52
Securities premium	15,309.00	15,309.00
Retained earnings	(2,646.94)	(2,146.34)
	138,633.79	132,654.18

Movement of other equity is given as below:

Equity component of 0.01% Series C Compulsorily Convertible Debentures ('Series C CCDs')#

	Number	Amount
As at 1 April 2023	96,041,694	9,604.17
Increase / (decrease) during the year	-	-
As at 31 March 2024	96,041,694	9,604.17
Increase / (decrease) during the year	-	-
As at 31 March 2025	A 96,041,694	9,604.17

Equity component of Series D Compulsorily Convertible Debentures ('Series D CCDs')^

	Number	Amount
As at 1 April 2023	96,029,164	104,154.88
Increase / (decrease) during the year (refer note 30)	-	5,732.47
As at 31 March 2024	96,029,164	109,887.35
Increase / (decrease) during the year (refer note 30)	-	6,480.21
As at 31 March 2025	B 96,029,164	116,367.56

Equity component of convertible debentures

As at 31 March 2025	A+B 192,070.858	125,971.73
As at 31 March 2024	192,070.858	119,491.52

Terms attached to convertible debentures

This note covers the equity component of the issued convertible debentures. The liability component is reflected in the financial liabilities in note no.13.

0.01% Series C CCDs having face value of ₹ 10 each convertible in the ratio 1:1 each prior to expiry of 12 years from the date of their issuance of original instruments (i.e. December 12, 2015) with prior approval of the Board of Directors. These CCDs are mandatorily convertible after expiry of 12 years from the date of issuance of original instrument i.e. 12 December 2015. These CCDs have been classified as equity since the liability component is not material and instruments are mandatorily convertible into equity.

^ 15% Series D CCDs of Rs. 140 each are compulsory convertible into equity shares having face value of ₹ 10 each in the ratio 1:1 prior to expiry of 12 years from the date of their issuance (i.e. 23 December 2015) with prior approval of the Board of Directors. The Company doesn't have a unilateral right of conversion of these instruments without the consent of debenture holders in their capacity as 'debenture holders' and accordingly, the Company has classified these instruments as 'Compound Financial Instruments' in accordance with provisions of 'Ind AS 32 - Financial Instruments: Presentation'.

Securities premium

	Amount
As at 1 April 2023	15,309.00
Increase / (decrease) during the year	-
As at 31 March 2024	15,309.00
Increase / (decrease) during the year	-
As at 31 March 2025	15,309.00

Nature and purpose of reserves: Securities premium represents premium received on issue of shares. This is utilised in accordance with the provisions of the Companies Act, 2013.



DLF Midtown Private Limited**Notes to the Financial Statements for the year ended 31 March 2025****(All amounts in ₹ lakhs, unless otherwise stated)****Retained earnings**

	Amount
As at 1 April 2023	(1,948.74)
(Loss) for the year	(201.00)
Other comprehensive gain for the year	3.40
As at 31 March 2024	(2,146.34)
(Loss) for the year	(501.28)
Other comprehensive gain for the year	0.68
As at 31 March 2025	<u>(2,646.94)</u>

Nature and purpose of reserves: Represents surplus/(deficit) in the statement of profit and loss.

13 Borrowings

	As at 31 March 2025	As at 31 March 2024
Non Current		
Liability component of compound financial instruments (Unsecured) #		
15% Series D Compulsorily Convertible Debentures	62,314.89	74,305.69
	<u>62,314.89</u>	<u>74,305.69</u>
Term Loan (secured) ^		
From banks (refer below)	-	55,884.17
	<u>-</u>	<u>55,884.17</u>
	<u>62,314.89</u>	<u>130,189.86</u>

refer note 12 for terms of CCDs

^ Terms of bank loan is as below:

(i) Rate of interest:

Effective interest rate is Nil as at 31 March 2025 (31 March 2024: MIBOR + Margin and MCLR + Margin)

(ii) Repayment terms and security disclosure

Amount is repayable in 18 equal monthly instalments starting from 15 October 2024. The loan is secured by way of:

- (i) First pari passu mortgage over the Properties (collectively the Immovable Properties, the Project and all assets, rights and interest in respect thereof);
- (ii) First pari passu charge/hypothecation over the Escrow Account and the Receivable (subject to provision of Real Estate Regulatory Authority[RERA]);
- (iii) First pari passu charge over current and liquid assets; and
- (iv) Security cover ratio is maintained at a minimum of 1.50:1.

(iii) Loan covenants

Borrowings contain debt covenants relating to maintenance of debt-equity ratio. The Company has complied with its debt covenants prescribed in the terms of borrowings.

- (iv) The Company has not defaulted on any loans payable. Further, the Company has duly furnished the quarterly/ half yearly information as required by the terms of respective loan agreement and which are in agreement with books of accounts.

14 Other financial liabilities (Non-current)

	As at 31 March 2025	As at 31 March 2024
Interest accrued on convertible debentures*	1,311.99	1,549.01
	<u>1,311.99</u>	<u>1,549.01</u>

* includes interest payable upto 26 January 2021 pertaining to convertible debentures (refer note 12). Further, the same is payable after making payment to third party liabilities including banks, trade creditors, Development Management fees, etc.



15 Current borrowings

	As at 31 March 2025	As at 31 March 2024
Non-Convertible Debentures from banks^	79,859.94	-
	79,859.94	-
From banks (secured)*		
Overdraft facility from banks	-	688.21
Short term loan from banks	-	6,000.00
	-	6,688.21
	79,859.94	6,688.21

^ Terms of Non Convertible Debentures is as below:

(i) Rate of Interest

Above Non Convertible Debentures carries interest rate of 8.10% as at 31 March 2025 (31 March 2024: Nil)

(ii) Repayment terms and security disclosure

As per the terms of the Debenture Trust Deed, in case the issuer rejects the revised proposal rate, then issuer shall mandatorily redeem all the debentures along with accrued interest. Accordingly these debentures are classified as current.

Debentures are secured by way of :

- (i) first ranking exclusive charge by way of mortgage over the Mortgaged Properties
- (ii) first ranking exclusive charge by way of hypothecation over the Hypothecated Properties

(iii) Loan covenants

- (i) Borrowings contain debt covenants relating to maintenance of debt-equity ratio. The Company has complied with its debt covenants prescribed in the terms of borrowings.
- (ii) Borrowings contain debt covenants relating to maintenance of net worth being positive. The Company has complied with its debt covenants prescribed in the terms of borrowings.

*** Terms of bank loan is as below:**

(i) Rate of Interest

Above loan carries effective weighted-average contractual interest rate of Nil as at 31 March 2025 (31 March 2024: 9.90 % to 10.45 % p.a.)

(ii) Loan covenants and repayment terms

The loan is secured by way of:

- (i) First pari passu mortgage over the Properties (collectively the Immovable Properties, the Project and all assets, rights and interest in respect thereof);
- (ii) First pari passu charge/hypothecation over the Escrow Account and the Receivable (subject to provision of Real Estate Regulatory Authority[RERA]);
- (iii) First pari passu charge over current and liquid assets; and
- (iv) Security cover ratio is maintained at a minimum of 1.50:1.

(iii) Loan covenants

Borrowings contain debt covenants relating to maintenance of debt-equity ratio. The Company has complied with its debt covenants prescribed in the terms of borrowings.

- (iv) The Company has not defaulted on any loans payable.



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16 Trade payables

As at
31 March 2025 As at
31 March 2024

Trade payables

total outstanding dues to micro enterprises and small enterprises (refer note 26)^	363.84	597.70
total outstanding dues to other than micro enterprises and small enterprises \$	535.21	760.50
	899.05	1,358.20

\$ Due to other than micro enterprises and small enterprises:

- Due to related parties (refer note 32)	-	42.79
- Due to others	535.21	717.71
	535.21	760.50

Trade payables are non-interest bearing and are normally settled 90-120 days terms.

^For disclosure relating to related party payables, refer note 32

\$For explanation on risk management process, refer note 34

Trade payable ageing schedule as at 31 March 2025

Particulars	Not Due	Outstanding for following periods from the booking date				31 March 2025 Total
		Less than 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed*						
Due to micro enterprises and small enterprises	102.87	219.03	10.41	31.53	-	363.84
Due to other than micro enterprises and small enterprises	20.84	432.14	36.65	45.58	-	535.21
Disputed:						
Due to micro enterprises and small enterprises	-	-	-	-	-	-
Due to other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	123.71	651.17	47.06	77.11	-	899.05

Trade payable ageing schedule as at 31 March 2024

Particulars	Not Due	Outstanding for following periods from the booking date				31 March 2024 Total
		Less than 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed*						
Due to micro enterprises and small enterprises	77.07	428.96	90.60	1.07	-	597.70
Due to other than micro enterprises and small enterprises	4.60	716.51	39.39	-	-	760.50
Disputed:						
Due to micro enterprises and small enterprises	-	-	-	-	-	-
Due to other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	81.67	1,145.47	129.99	1.07	-	1,358.20

* Includes retention monies with respect to contractors, which become payable after satisfying the terms and conditions embedded within their respective contracts.

^ In respect of total outstanding dues of micro enterprises and small enterprises beyond the period of 45 days from the due date and also as mentioned in the form MSME-1 filed by the Company with Registrar of Companies, there has been delay in payment to these MSME vendors due to non-submission of requisite documents by the respective vendors, which have been acknowledged by the vendors. Hence, the Company has been unable to process their payments and the delay is not attributable to the Company.



DLF Midtown Private Limited**Notes to the Financial Statements for the year ended 31 March 2025****(All amounts in ₹ lakhs, unless otherwise stated)****17 Other financial liabilities (Current)**

	As at 31 March 2025	As at 31 March 2024
Interest accrued on term loan	-	271.42
Interest accrued on non convertible debentures	3,236.89	-
	<u>3,236.89</u>	<u>271.42</u>

18 Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues	279.13	33.87
Other liabilities	16.22	7.32
Advance received against sale of scrap	4.97	4.96
	<u>300.32</u>	<u>46.15</u>

19 Provisions

	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits				
Gratuity [refer note 27 (i)]	6.29	6.11	1.32	0.16
Compensated absences	-	-	1.74	0.01
	<u>6.29</u>	<u>6.11</u>	<u>3.06</u>	<u>0.17</u>

*[This space has been intentionally left blank]*

DLF Midtown Private Limited**Notes to the Financial Statements for the year ended 31 March 2025***(All amounts in ₹ lakhs, unless otherwise stated)***20 Other income**

	For the year ended 31 March 2025	For the year ended 31 March 2024
Liabilities no longer required written back	3.85	1.03
Business support service income	130.00	-
Interest received on income-tax refunds	0.21	0.40
	134.06	1.43

21 Employee benefit expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	132.62	22.71
Contribution to provident funds [refer note 27(ii)]	4.51	1.22
Gratuity expense [refer note 27(i)]	2.00	2.07
	139.13	26.00

22 Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on:		
Statutory dues	-	0.02
Bank Charges	0.04	-
	0.04	0.02

23 Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Rates and taxes	1.05	0.82
Legal and professional (refer note A below)	467.39	163.40
Insurance	1.57	1.64
Printing and stationery	-	0.51
Communication	0.27	0.38
Travelling and conveyance	0.07	-
Vehicle running and maintenance	0.49	0.57
Recruitment and training expenses	3.01	8.86
Miscellaneous expenses	21.99	-
	495.84	176.18

Note A: Payment to auditors

As auditors:

Statutory audit	5.82	5.82
Limited review	6.31	4.64
Other services (certification fees)	1.18	1.18
Reimbursement of expenses	0.72	0.62
	14.03	12.26

24 Earning / (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	For the year ended 31 March 2025	For the year ended 31 March 2024
(Loss) for the year	(501.18)	(201.00)
Weighted average number of equity shares for basic/ dilutive EPS*	214,552,815	214,552,815
Basic / Diluted EPS (₹)	(0.23)	(0.09)
Weighted average number of equity shares outstanding during the year	22,481,957	22,481,957
Weighted average number of equity shares to be issued on conversion of Series C and D CCDs outstanding during the year	192,070,858	192,070,858
Total weighted average number of equity shares for basic EPS/ DPS*	214,552,815	214,552,815

*Weighted average number of equity shares for the calculation of basic EPS/DPS includes compulsory convertible debentures.



25 Segment information

The Company business activities which are primarily real estate development and related activities falls within a single reportable segment as the management of the Company views the entire business activities as real estate development. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 - Operating Segment with respect to single reportable segment. Further, the operation of the Company is domiciled in India and therefore there are no reportable geographical segment.

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

Particulars	As at 31 March 2025	As at 31 March 2024
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	363.84	597.70
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.

27 Employee benefits:

(i) Disclosure of gratuity (unfunded)

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.

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 and loss:

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	1.51	1.27
Interest cost	0.49	0.80
Amount recognised in the statement of profit and loss	2.00	2.07



DLF Midtown Private Limited
Notes to the Financial Statements for the year ended 31 March 2025
(All amounts in ₹ lakhs, unless otherwise stated)

Movement in the liability of gratuity recognised in the balance sheet is as under:-

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of defined benefit obligation as at the beginning of the year	6.27	12.53
Current service cost	1.51	1.27
Interest cost	0.49	0.80
Actuarial (gain)/loss recognized during the year	(0.68)	(3.40)
Benefits paid	-	(4.93)
Present value of defined benefit obligation as at the end of the year	7.59	6.27
Current portion of defined benefit obligation	1.32	0.16
Non - current portion of defined benefit obligation	6.29	6.11

Breakup of Actuarial (gain) /loss: other comprehensive income:-

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (gain) / loss arising from change in financial assumption	(0.56)	0.11
Actuarial (gain) arising from experience adjustment	(0.12)	(3.51)
	(0.68)	(3.40)

For determination of the gratuity liability of the Company, the following principal actuarial assumptions were used:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.47%	7.09%
Future salary increase	7.00%	7.00%
Retirement age	60/62/65/68/70 years	58/60/62/65/68 years
Mortality rate	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Withdrawal Rates	19.00%	For Age- Upto 30 years: 4% 31-44 years: 3% Above 44 years: 2%

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

Particulars	As at 31 March 2025	As at 31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	7.59	6.27
a) Discount Rate + 50 basis points	(0.14)	(0.21)
b) Discount Rate - 50 basis points	0.14	0.22
b) Impact of the change in salary growth rate		
Present value of obligation at the end of the year	7.59	6.27
a) Salary escalation rate + 50 basis points	0.16	0.22
b) Salary escalation rate - 50 basis points	(0.15)	(0.21)

Expected contribution for the next reporting period is as follows:

Maturity profile of defined benefit obligation

The following payments are expected contributions to the defined benefit plan in future years:

Description	As at 31 March 2025	As at 31 March 2024
Within the next 12 months (next annual reporting period)	1.36	0.17
Between 1 and 5 years	9.96	10.97
Beyond 5 years	4.61	10.00
Total expected payments	15.93	21.14



(ii) Defined contribution plan

The Company makes provident fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 4.51 lakhs (31 March 2024: ₹ 1.22 lakhs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

28 (i) During the year ended 31 March 2016, the Company had entered into an agreement with DLF Home Developers Limited (DHDL) for grant of irrevocable, absolute and unfettered rights in respect of land parcel admeasuring 19.06 acres (77,133.0754 square meters) situated at Shivaji Marg, New Delhi for development of planned residential project of the Company. The consideration for the same had been agreed at a fixed monetary consideration of ₹ 1,38,750.00 lakhs and an additional variable consideration based on certain percentage of the realisations from the project up to a maximum of ₹ 1,38,750.00 lakhs. The Company has accounted for cost of development right at the fixed monetary consideration of ₹ 1,38,750.00 lakhs and is of the view that since the variable consideration is contingent upon realizations from the project, there is no present obligation on the Company to recognize the variable consideration as at balance sheet date. Hence, the variable consideration shall be recognized upon realizations from respective customers. However, on a conservative basis, the Company has paid stamp duty on the entire consideration of ₹ 2,77,500.00 lakhs and has accounted for the same under Inventories in note 7 of the financial statements.

(ii) In earlier years, the Company and DLF Urban Private Limited (DUPL), an erstwhile entity under common control of entities having joint control over the Company, are engaged in real estate development projects and accordingly both the Companies to comply its respective obligation to build EWS units as per EWS Policy under Master Plan of Delhi (MPD) - 2021 have entered into a Joint Development Agreement (JDA) dated 29 March 2022. Pursuant to this agreement, the Company has agreed to grant DUPL an irrevocable right and marketable title to develop, construct, complete the EWS Project jointly with the Company for a consideration of ₹ 5,268 lakhs including variable consideration to be paid to the land owner. The development rights so transferred to DUPL were reduced from inventories in note 7 of the financial statements and receivable were disclosed under head other financial assets in note 9 of the financial statements in earlier years. The agreement so entered has been duly approved by all the shareholders of the Company.

29 The Company is undertaking development of a real-estate project in Delhi and has commenced active development of the same. Till 31 March 2025, the Company has inventorised borrowing cost of ₹ 75,309.53 lakhs (31 March 2024: ₹ 73,898.74 lakhs) in accordance with Ind AS-23 "Borrowing Costs". Further, approval, construction cost and other cost of ₹ 28,593.68 lakhs (31 March 2024: ₹ 23,133.09 lakhs), ₹ 18,664.09 lakhs (31 March 2024: ₹ 17,663.96 lakhs) and ₹ 506.60 lakhs (31 March 2024: ₹ 506.60 lakhs) respectively have been inventorised.

Further, based on future projections of the estimated cash flows from the project, the net realizable value of the project is higher than the carrying value and hence, no adjustment is considered necessary in the financial statements in this regard at this stage.

30 During the year, due to inadequacy of cash inflows and pursuant to request by the Company, the debenture holders have waived interest due on outstanding debentures for the year ended 31 March 2025 amounting to ₹ 20,167.08 lakhs (31 March 2024 ₹ 20,167.08 lakhs). Accordingly, the Company has re-measured the liability component of the convertible debentures and resultant difference has been accounted for as equity component in accordance with Ind AS 109 Financial Instruments. Accordingly, the present value of the liability component of convertible debentures has decreased by ₹ 6,480.21 lakhs (31 March 2024 ₹ 5,732.47 lakhs) and equity component of the convertible debentures has increased by ₹ 6,480.21 lakhs (31 March 2024 ₹ 5,732.47 lakhs) with a corresponding impact on the borrowing cost capitalized in inventories.



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31 Commitments and Contingent liabilities:**(a) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) is ₹ Nil (31 March 2024: ₹ Nil).

(b) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Income Tax Demands (refer note a below)		
AY 2016-17 - 143(3)	6,928.08	51,511.32
AY 2016-17 - 271(1)(c)	4,063.20	4,063.20
AY 2017-18	3,202.01	3,202.01
AY 2023-24	5.64	-
Goods and Service Tax Demands (refer note b below)	-	85.16
	14,198.93	58,861.69

a) The Transfer Pricing Officer had made some upward adjustment on account of amount paid to Associate Enterprises pursuant to section 92CA(3) of Income tax Act, 1961 ("IT Act") by adopting a different benchmark for AY 2016-17. The appeal filed by the Company for AY 2016-17 was partially allowed by Commissioner of Income Tax (Appeals) [CIT (A)]. The Company filed appeal before Hon'ble Income Tax Appellate Tribunal (ITAT) with respect to the additions sustained by CIT(A) and the Department filed appeal on 05 June 2024 only against the issue of disallowance of interest on Compulsorily Convertible Debentures (CCDs) and accordingly, the contingent liability has been reduced by ₹ 44,583.44 Lakhs. The ITAT decided the appeal in favour of Company vide orders dated 06 September 2024 and 17 April 2025 thereby rejected the department appeal. During the year, the Company has received penalty order u/s 271(1)(c) of the IT Act dated 31 March 2024 in respect of AY 2016-17 of ₹ 4,063.20 lakhs on account of addition (development rights) sustained by the CIT(A), against which Company is in appeal before the CIT(A). Further, for the AY 2017-18, the addition on account of CCD is pending before CIT(A)/ National Faceless Assessment Centre (NFAC). The Company has received assessment order dated 25 March 2025 for the AY 2023-24 in which disallowance of ₹ 22.40 lakh has been made, against which Company has filed appeal on 22 April 2025 before CIT(A)/NFAC which is pending for disposal. Out of total contingent liability of ₹ 14,198.73 Lakhs appearing as on 31 March 2025, ₹ 7,265.01 lakhs is fully covered by the ITAT order dated 06 September 2024 and 17 April 2025 for the AY 2016-17 for the reason given below :

- Penalty u/s 271(1)(c) of ₹ 4,063.00 Lakhs for the AY 2016-17: Since the quantum appeal in respect of development rights has been decided by the ITAT in favour of the Company vide order dated 06 September 2024 and 17 April 2025 and therefore, penalty levied of ₹ 4,063.00 lakhs is likely to be deleted

- ₹ 3,202.01 Lakhs is pertain to interest on CCD issued to associated enterprise, since similar issue is squarely covered by the ITAT orders dated 06 September 2024 and 17 April 2025.

Based on the advice from independent tax experts and the development of the case, the management is confident that there will not be any tax liability devolving against the company and accordingly, no provision is required in these financials statements. Against the demand for AY 2016-17, the Company has paid ₹ 1,210.29 lakhs under protest

b) During the previous year, the GST Officer issued a demand notice under Section 73 of the CGST Act, 2017 alleging the availing of ineligible ITC, against which the Company had filed a request for rectification. The Company contested this demand raised by the authority. The authority has decided the matter in favour of the Company vide order dated 5 August 2024 and the demand has been set aside. The Company had paid ₹ 4.06 lakhs under protest against this matter during the previous year, which has been adjusted by the Company during the year.



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DLF Midtown Private Limited**Notes to the Financial Statements for the year ended 31 March 2025****(All amounts in ₹ lakhs, unless otherwise stated)****32 Related party disclosures**

In accordance with the required Accounting Standard (Ind AS-24) on related party disclosures where control exist and where transactions have taken place and description of the relationship as identified and certified by management are as follows:

a) Holding company of the entity having joint control.

- a. Holding companies of DLF Home Developers Limited
 - DLF Limited (Holding Company)
 - Rajdhani Investments & Agencies Private Limited (Ultimate Holding Company)

b. Holding company of Reco Moti Pte Limited

- Recosia Pte Limited

b) Entities having joint control over the entity

- DLF Home Developers Limited
- Reco Moti Pte Limited

c) Entities under common control with which transactions are entered during the year

- DLF Urban Private Limited

d) Transactions with related parties:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on debentures		
- DLF Home Developers Limited	(237.03)	140.82
- Reco Moti Pte Limited	(5,510.61)	83.85
Change in liability component of debenture		
- Reco Moti Pte Limited	6,480.21	5,732.47
Development management fee		
- DLF Home Developers Limited (including good and services tax)	-	279.05
Business support service income		
- DLF Urban Private Limited (excluding good and services tax)	130.00	-
Recovery of expenses		
- DLF Urban Private Limited (excluding good and services tax)	272.51	1,331.94

e) Balance outstanding at the end of the year

	As at 31 March 2025	As at 31 March 2024
Equity component of 96,029,164 (31 March 2024: 96,029,164) Series D Compulsorily Convertible Debentures		
- Reco Moti Pte Limited	116,367.56	109,887.35
Equity component of 96,041,694 (31 March 2024: 96,041,694) Series C Compulsorily Convertible Debentures		
- DLF Home Developers Limited	9,604.17	9,604.17
Liability component of 96,029,164 (31 March 2024: 96,029,164) Series D Compulsorily Convertible Debentures (including accrued interest)		
- Reco Moti Pte Limited	62,314.89	74,305.69
Interest accrued on convertible debentures		
- DLF Home Developers Limited	1,311.99	1,549.01
Trade payables		
- DLF Home Developers Limited	-	42.79
Other Receivables		
- DLF Urban Private Limited	174.65	4,418.02

(A) Terms and conditions of transactions with related parties

- The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The Company has issued convertible debenture to related parties which carry interest rate from 0.01% - 15.00% p.a. The proceeds have been utilised by the Company for its business purposes.



33 Fair value disclosures**i) Fair values hierarchy**

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

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 assets & liability, either directly or indirectly.

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

(ii) Fair value of instruments measured at amortised cost

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

Particulars	Carrying value		Fair value	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Financial assets				
Cash and cash equivalents	2,511.43	115.19	2,511.43	115.19
Other bank balances	7,385.41	317.40	7,385.41	317.40
Other current and non current financial assets	1,554.44	5,021.41	1,554.44	5,021.41
Total	11,451.28	5,454.00	11,451.28	5,454.00
Financial liabilities				
Borrowings (current & non current)	142,174.83	136,878.07	142,174.83	136,878.07
Trade payable	899.05	1,358.20	899.05	1,358.20
Other current and non current financial liabilities	4,548.88	1,820.43	4,548.88	1,820.43
Total	147,622.76	140,056.70	147,622.76	140,056.70

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

The Company's principal financial liabilities comprise 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 cash and cash equivalents & other bank balance 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.

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

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	2,511.43	-	-	115.19
Other bank balances	-	-	7,385.41	-	-	317.40
Other current and non current financial assets	-	-	1,554.44	-	-	5,021.41
Total	-	-	11,451.28	-	-	5,454.00
Financial liabilities						
Borrowings	-	-	142,174.83	-	-	136,878.07
Trade payable	-	-	899.05	-	-	1,358.20
Other financial liabilities	-	-	4,548.88	-	-	1,820.43
Total	-	-	147,622.76	-	-	140,056.70



ii) Risk Management

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

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents and other financial assets measured at amortised cost. 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 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 on financial reporting date

B: Moderate credit risk

C: High credit risk

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

Asset group	Basis of categorisation	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	12 month 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.

Assets under credit risk –

Credit rating	Particulars	As at 31 March 2025	As at 31 March 2024
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	11,451.28	5,454.00

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes recoverable form related party. 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.

(ii) Credit risk exposure**Provision for expected credit losses**

The Company provides for expected credit loss based on 12 months and lifetime expected credit loss mechanism for the following financial assets:

As at 31 March 2025

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,511.43	-	2,511.43
Other bank balances	7,385.41	-	7,385.41
Other current and non current financial assets	1,554.44	-	1,554.44
	11,451.28	-	11,451.28



As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	115.19	-	115.19
Other bank balances	317.40	-	317.40
Other current financial assets	5,021.41	-	5,021.41
	5,454.00	-	5,454.00

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

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

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

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

As at 31 March 2025	Less than 1 year	1-5 year	More than 5 years
Borrowings	79,859.94	62,314.89	-
Trade payable	899.05	-	-
Other financial liabilities	3,236.89	1,311.99	-
Total	83,995.88	63,626.88	-

As at 31 March 2024	Less than 1 year	1-5 year	More than 5 years
Borrowings	6,688.21	130,189.86	-
Trade payable	1,358.20	-	-
Other financial liabilities	271.42	1,549.01	-
Total	8,317.83	131,738.87	-

C) Market Risk

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

Interest rate risk management

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.

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate borrowing	79,859.94	62,572.38
Fixed rate borrowing	62,314.89	74,305.69
Total borrowings	142,174.83	136,878.07



DLF Midtown Private Limited**Notes to the Financial Statements for the year ended 31 March 2025****(All amounts in ₹ lakhs, unless otherwise stated)****Sensitivity**

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	As at	As at
	31 March 2025	31 March 2024
Interest sensitivity		
Interest rates – increase by 100 basis points (100 bps)	798.60	625.72
Interest rates – decrease by 100 basis points (100 bps)	(798.60)	(625.72)

*Considering all other factors constant***Price Risk**

The company is not exposed to price risk as Company does not hold any financial asset/liability price of which is derived through price prevailing in market.

Accordingly, for the year ended 31 March 2025 and 31 March 2024 every 100 basis points increase /decrease in the value of financial asset/ liability, will affect the Company's profit before Tax by ₹ Nil and ₹ Nil respectively, since the borrowing cost is capitalised with inventories.

*[This space has been intentionally left blank]*

DLF Midtown Private Limited**Notes to the Financial Statements for the year ended 31 March 2025****(All amounts in ₹ lakhs, unless otherwise stated)****35 Capital Management**

The purpose of the Company's capital management is:

- Safeguard their ability to continue as a going concern, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying value of equity and net debt (net off cash and bank balances including deposits with banks). 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 dividend paid to shareholders, return capital to shareholders or issue new shares.

The Company's Gearing Ratio is as follows:

	As at 31 March 2025	As at 31 March 2024
Borrowings (current and non-current) including interest accrued	146,723.71	138,698.50
Less: Cash and bank balances including other bank balances and deposits with banks but excluding bank deposits under pledge/lien)	(11,275.13)	(1,034.48)
Net debt (i)	135,448.58	137,664.02
Total Capital (ii)	140,881.99	134,902.38
Capital and net debt (i) + (ii)	276,330.57	272,566.40
Gearing ratio [%]	49.02%	50.51%

36 Tax expense

	As at 31 March 2025	As at 31 March 2024
Current tax	-	-
Deferred tax	-	-
	-	-

Reconciliation of tax expenses and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:

	For the year ended 31 March 2025	For the year ended 31 March 2024
(Loss) before tax	(501.18)	(201.00)
At the effective income tax rate @ 25.168%	(126.14)	(50.59)
Deferred tax asset not created due to no reasonable certainty of earning future taxable income against which deferred tax asset can be realised	126.14	50.59
Net tax expense	-	-

37 Deferred tax asset (net)**The major component of deferred tax assets are as follows:**

	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities		
Impact of difference between tax depreciation and depreciation charged for the financial reporting	(0.04)	0.02
Total deferred tax liabilities (A)	(0.04)	0.02
Deferred tax assets		
Unabsorbed business losses	178.63	228.06
Compound financial instrument (15% Series D Compulsorily Convertible Debentures)	18,152.66	15,134.81
Provision for employee benefits	2.35	1.68
Total deferred tax assets (B)	18,333.64	15,364.55
Net deferred tax assets (B) - (A)	18,333.68	15,364.53
Less: Deferred tax assets not recognized due to lack of reasonable certainty*	(18,333.68)	(15,364.53)
Net deferred tax assets	-	-



*The significant component of deferred tax asset comprises of temporary differences on account of liability portion of compound financial instrument and carried forward tax losses. In the absence of reasonable certainty supported by convincing evidence that sufficient taxable profits will be available against which such liability portion of compound financial instrument and carried forward tax losses the Company has not recognised deferred tax assets (net) in its books as on the respective reporting dates on prudent basis. The Company has not recognised deferred tax asset in respect of compound financial instrument's liability component of ₹ 72,125.94 lakhs (31 March 2024: ₹ 60,135.14 lakhs) and carried forward tax losses of ₹ 709.75 lakhs (31 March 2024: ₹ 906.15 lakhs), majority of these losses will expire from AY 2026-27 to AY 2032-33. If the Company was also to recognise all un-recognised deferred tax asset, the profit would have been higher by ₹ 18,333.68 lakhs (31 March 2024: ₹ 15,364.53 lakhs).

- 38 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However, the final rules/ interpretation have not yet been issued. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.
- 39 In view of the recurring losses for the last three financial years pursuant to section 135 of the Companies Act, 2013 (Act) with respect to Corporate Social Responsibility and other relevant provisions of the Act read with the Rules made thereunder, the Company has not incurred any amount on the corporate social responsibility activities during the year.
- 40 Other Statutory Information for financial year ended 31 March 2025 and 31 March 2024:
- (i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
 - (ii) The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013.
 - (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during each financial year.
 - (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other) relevant provisions of the Income Tax Act, 1961.
 - (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
 - (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 from the date of their implementation.



41 The key ratios which are applicable to the Company for the year ended 31 March 2025 and 31 March 2024 are as follows:

S. No.	Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% Variance	Reason
(a)	Current ratio (in times)	Current assets	Current liabilities	3.39	32.65	-89.61%	Major decrease is on account of Non Convertible Debentures issued during the year
(b)	Debt-equity ratio (in times)	Total debt	Total equity #	1.01	1.01	0.00%	Not applicable
(c)	Return on equity ratio (%)	Net profit after tax	Total equity #	(0.36%)	(0.15%)	140.00%	Major decrease is on account of increase in losses for the year
(d)	Return on capital employed (%)	Earnings before interest and taxes	Capital employed @	(0.18%)	(0.07%)	157.14%	Major decrease is on account of increase in losses for the year

Since the Company does not have any turnover, accordingly turnover based ratios are not applicable to the Company.

Total equity includes equity portion of CCDs, security premium and retained earnings

@ Capital employed has been considered as 'Total Equity plus non-current and current borrowings (but excluding interest accrued)

42 The Company has used a third party operated accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. We have obtained service organisation controls report i.e. SOC 1 type 2 report ("SOC Report") from the provider of accounting software and has concluded that the audit trail in respect of such software has been recorded and preserved in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year ended March 31, 2025. There has been no instance of audit trail feature being tampered with. Additionally, in respect of the financial year ended March 31, 2024, Management is not in possession of SOC Report to determine whether the requirement of preservation of audit trail has been complied as per the statutory requirements for record retention.

43 The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary to make them comparable with current year classification.

As per our audit report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005

per **Anil Mehta**
Partner

Membership Number: 095812



Place: Gurugram
Date: 14 May 2025

For and on behalf of Board of Directors

DLF Midtown Private Limited

Vineet Kanwar
Director

DIN: 00522258

Place: Gurugram

Rajeev Singh
Director

DIN: 02669832

Place: Noida

Atul Aggarwal
Company Secretary

M.No.: A15886

Place: Gurugram

Rajat Tayal
Chief Financial Officer

Place: Gurugram

Date: 14 May 2025

