

Board's Report

Dear Members,

The Board of Directors have pleasure in presenting their 56th Annual Report on the business and operations of the Company, together with the audited financial statements for the financial year ended 31 March 2021.

Financial and Operational Highlights

(₹ in crore)

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Total income	5,945	6,888	4,429	4,915
Total expenses	5,009	6,575	2,984	2,635
Profit before exceptional items, tax, share of profit in associates and joint ventures	936	313	1,445	2,280
Exceptional items (net)	(96)	340	(45)	1,186
Profit before tax, share of profit in associates and joint ventures	840	653	1,400	3,466
(a) Tax expense for the year (Current tax and Deferred tax)	362	217	324	57
(b) Deferred Tax Asset (DTA) reversal on account of adoption of new tax rate	-	1,916	-	1,145
Less: Tax expense (a)+(b)	362	2,133	324	1,202
Profit/ (Loss) after tax before share of profit (net) in associates and joint ventures	478	(1,480)	1,076	2,264
Share of Profit in associates and joint ventures (net)	605	890	-	-
Net Profit/ (Loss) for the Year	1,083	(590)	1,076	2,264
Other Comprehensive Income	3	(10)	1	(3)
Total Comprehensive Income	1,086	(600)	1,077	2,261

Financial Performance Review and Analysis

On a consolidated basis, your Company recorded a revenue (including other income) of ₹ 5,945 crore, which was 14% lower as compared to the previous year. This was largely on account of product-mix and lesser number of possession letters issued.

Total expenses were significantly lower as compared to previous year. This was primarily driven by effective cost control initiatives of the organisation. Finance costs and other expenses reduced by more than 30%.

After accounting for share of profit in DLF Cyber City Developers Limited (DCCDL) and other jointly controlled entities of ₹ 605 crore, your Company recorded a net profit of ₹ 1,083 crore during the year as against net loss of ₹ 590 crore in the previous financial year. Last year's loss was primarily on account of one-time DTA reversal due to the adoption of the new tax regime.

Despite the adverse circumstances, your Company generated surplus cash flow of ₹ 382 crore during the year leading to reduction in net debt. The improvement in cash flow was primarily driven by improved Quarter on Quarter collections and effective cost control measures implemented by your Company.

Impact of COVID-19

COVID-19 pandemic has manifested as a global challenge, with disruption across the world. Global solutions are needed to overcome these.

The pandemic caused slow down and impacted the Indian Real Estate Sector. The Central and State Governments have taken various initiatives including stamp duty waivers, reduced charges and establishment of Special Window for Affordable and Mid-Income Housing ('SWAMIH'), to provide last mile funding for stalled projects. Keeping the policy rates low has helped the sector to withstand these difficult times.

India had one of the strictest lockdowns to prevent the spread of COVID-19. This led to the curtailment of economic activity. Once lockdown restrictions were eased, the economy started witnessing gradual recovery. With the success of the vaccination drive, it is expected that the current fiscal should show revival aided by initiatives of the Central Bank and Governments.

The health and safety of our employees and stakeholders remained the top priority for the Company, with several initiatives to support employees and their families during the pandemic.

DLF Cyber City Developers Limited

DCCDL reported a consolidated income of ₹ 4,385 crore as compared to ₹ 5,083 crore in the previous financial year. The decrease in revenue was primarily on account of lower retail revenues and services as also other interest income. DCCDL's consolidated EBITDA is ₹ 3,417 crore in FY 2020-21 in comparison to ₹ 3,720 crore in FY 2019-20 and total comprehensive income stood at ₹ 913 crore compared to ₹ 1,317 crore in FY 2019-20. As on 31 March 2021, DCCDL and its subsidiaries, together, had an operational portfolio of ~ 3.17 million square meter (msm) [34.1 million square feet (msf)].

Review of Business

Development Business

Residential Segment

Your Company witnessed a strong upsurge during the later part of FY 2020-21 owing to a healthy demand aided by better affordability, improving consumer sentiment and the desire to own a home. The Company embarked on bringing new products across different segments and locations. With introduction of new products, the Company recorded new sales booking of ₹ 3,084 crore as compared to ₹ 2,485 crore in the previous year, an increase by 24%.

HARERA Registration No.: RC/REP/HRERA/GGM/417/149/2020/33 dated 15.09.2020.
 HARERA Website: <https://haryana.rera.gov.in>
 Promoter: DLF Home Developers Limited
 Project Name: Mousari Enclave



Artist's impression of Independent Floors at DLF City Phase 3, Gurugram



Actual Image

Aerial view of Independent Floors at DLF City Phase 3, Gurugram



Actual Image

Independent Floors at DLF City Phase 3, Gurugram under construction

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Your Company has planned a strong potential of ~3.25 msm (35 msf) of new products offering diversity across segments and geographies. DLF introduced Independent Floors across Gurugram, which saw encouraging response from the market. The Company continued to monetise its completed inventory and witnessed demand pick-up across all segments.

Annuity Business

The Annuity business is primarily undertaken through DCCDL and the Company directly owns ~0.19 msm (2 msf) of the leased assets.

As on 31 March 2021, DCCDL and its subsidiaries, together, had an operational portfolio of ~3.17 msm (34.1 msf) with additional under development assets of ~0.42 msm (4.5 msf).

The rental revenue recorded a marginal increase during the year at ₹ 3,029 crore, primarily due to addition of new assets, namely DLF Cyber Park in Gurugram and additional block in DLF Cyber City, Chennai. The average occupancy level stood at 89%.

The Retail segment was adversely impacted due to the pandemic and the consequent lockdown restrictions. Your Company took a leadership approach by offering a support package to its retail tenant partners. DLF witnessed a gradual recovery in the retail segment during the second half of the fiscal.

DLF maintains a positive outlook towards its rental business and hence continues to build new assets. The development of DLF Downtown at Gurugram and Chennai remain on track.

Dividend

The Board is pleased to recommend a dividend of ₹ 2/- per equity share of the face value of ₹ 2/- each for the FY 2020-21, payable to those shareholders, whose names appear in the Register of Members/ Beneficial ownership list provided by the depositories on the record date.

The total outgo on account of payment of dividend for the FY 2020-21 would be ₹ 495.06 crore and the same outgo was in the previous financial year.

The dividend payout is in accordance with the prevalent applicable laws and the Company's Dividend Distribution Policy. The said policy is available on the website of the Company i.e. <https://www.dlf.in/pdf/Dividend%20Distribution%20Policy.pdf>.

Change in Capital Structure

The paid-up equity share capital of the Company is ₹ 495.06 crore comprising 2,47,53,11,706 equity shares of ₹ 2/- each fully paid-up. There is no change in the share capital of the Company during the financial year.

Issue of Debentures

During the financial year, the Company has issued 5,000 - 8.25% Senior, Secured, Rated, Listed, Redeemable

Non-Convertible Debentures of ₹ 10,00,000/- each, (the 'NCDs') aggregating to ₹ 500 crore. The NCDs are listed on BSE Limited.

Transfer to Reserves

During the financial year, the Company has not transferred any amount to the general reserve. In terms of the provisions of Section 71 of the Companies Act, 2013 ('the Act') read with Rule 18(7)(b)(iii)(B) of the Companies (Share Capital and Debentures) Rules, 2014, Debenture Redemption Reserve is not required for privately placed debentures by listed Companies, hence no amount was transferred to Debenture Redemption Reserve.

Credit Rating

CRISIL has maintained Long Term Rating as A+ with stable outlook and Short Term Rating as A1.

Further, ICRA has maintained Long Term Rating as A+ with stable outlook. There has been no change in the Short Term Rating, it has been reaffirmed as A1.

Public Deposits

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

Holding Company

Rajdhani Investments & Agencies Private Limited continued to be the holding company and holds 60.42% of paid-up share capital of the Company.

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

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

Particulars of Employees

Pursuant to the provisions of Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement listing names of the top 10 employees in terms of the remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set-out in the said Rules, forms part of this report at **Annexure-E1 and E2**.

Subsidiaries, Joint Ventures, Associate Companies and Consolidated Financial Statements

As on 31 March 2021, the Company had 173 subsidiary companies and 5 associate companies (including joint venture companies) in terms of the provisions of the Act. Further, details of changes in subsidiaries, joint ventures and associate companies during the year are given at **Annexure-D**.

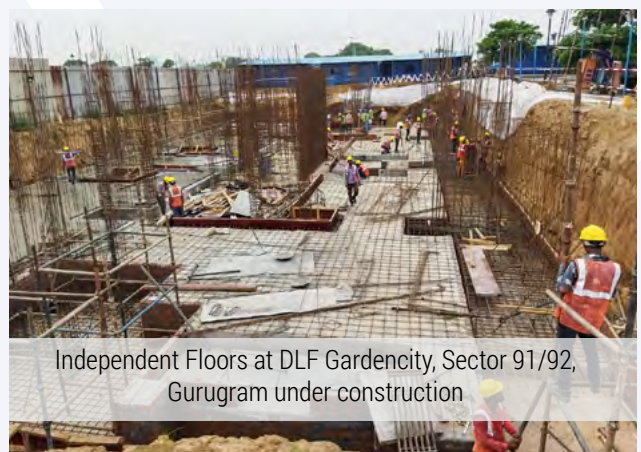
HARERA Registration No.: RC/REP/HRERA/GGM/443/175/2021/11 dated 15.03.2021
 HARERA Website: <https://haryanarera.gov.in>
 Promoter: DLF Utilities Limited
 Project: Independent Floors at DLF Gardencity, Sector 91/92, Gurugram



Artist's impression of Independent Floors at DLF Gardencity, Sector 91/92, Gurugram



Independent Floors at DLF Gardencity, Sector 91/92, Gurugram under construction



Independent Floors at DLF Gardencity, Sector 91/92, Gurugram under construction

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Pursuant to the provisions of Section 129(3) of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations'), the Consolidated Financial Statements of the Company were prepared in accordance with the applicable Ind AS and forms part of the Annual Report. A statement containing the salient features of the financial statements of the Subsidiaries, Joint Ventures and Associates of the Company in Form AOC-1, as required under the Companies (Accounts) Rules, 2014, as amended, also forms part of the Notes to the financial statements. The highlights of the performance of Subsidiaries, Joint Ventures and Associates and their contribution to the overall performance of the Company are included as part of this Annual Report.

Pursuant to the provisions of Section 136 of the Act, Audited Financial Statements of the Company, including Consolidated Financial Statements, other documents required to be attached thereto and Audited Financial Statements of each of the subsidiaries, are available on the website of the Company and may be accessed at <https://www.dlf.in/investor.php>.

Material Unlisted Subsidiary(ies)

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

Your Company has four material unlisted subsidiaries namely, DLF Cyber City Developers Limited (Debt Listed), DLF Assets Limited, DLF Power & Services Limited and DLF Home Developers Limited.

Amalgamation/ Arrangement

A. Merger(s) filed before the Hon'ble National Company Law Tribunal, Chandigarh (NCLT, Chandigarh)

1. The Hon'ble NCLT, Chandigarh vide its Order dated 24 February 2021 has approved the Scheme of Amalgamation of DLF Property Developers Limited, Genisys Property Builders & Developers Private Limited and Ghaliya Builders & Developers Private Limited (Transferor Companies) with DLF Luxury Homes Limited (Transferee Company) and the transferor companies stand merged with the transferee company effective from the Appointed Date of 1 April 2019.
2. Pursuant to Sections 230-232 and other relevant provisions of the Act read with the Rules made thereunder, a Scheme of Arrangement, comprising wholly-owned subsidiary companies, namely, DLF Phase-IV Commercial Developers Limited, DLF Real Estate Builders Limited and DLF Residential

Builders Limited (Transferor Companies) and demerger of the Real Estate Undertaking of DLF Utilities Limited with DLF Limited (Transferee Company) was filed before the Hon'ble NCLT, Chandigarh. The Hon'ble NCLT, Chandigarh vide its Order dated 21 November 2019, disposed of the First Motion Application.

Subsequently, Second Motion Petition was filed in March 2020. The matter is pending before the Hon'ble NCLT, Chandigarh.

3. Pursuant to Sections 230-232 and other relevant provisions of the Act read with the Rules made thereunder, a Scheme of Amalgamation involving Adeline Builders & Developers Private Limited and fourteen others, namely Armand Builders & Constructions Private Limited, Americus Real Estate Private Limited, DLF Commercial Developers Limited, Elvira Builders & Constructions Private Limited, Eastern India Powertech Limited, Lada Estates Private Limited, Lear Builders & Developers Private Limited, Melosa Builders & Developers Private Limited, Mens Buildcon Private Limited, Narooma Builders & Developers Private Limited, Nudhar Builders & Developers Private Limited, Rachelle Builders & Constructions Private Limited, Royalton Builders & Developers Private Limited and Saket Holidays Resorts Private Limited (Transferor Companies) with DLF Home Developers Limited (Transferee Company) was filed before the Hon'ble NCLT, Chandigarh on 26 June 2020.

Subsequently, Second Motion Petition was filed before the Hon'ble NCLT, Chandigarh on 9 March 2021. The matter is pending before the Hon'ble NCLT, Chandigarh.

4. Pursuant to Sections 230-232 and other relevant provisions of the Act read with the Rules made thereunder, a Scheme of Amalgamation of Abhigyan Builders & Developers Private Limited and seven others, namely Abhiraj Real Estate Private Limited, Benedict Estates Developers Private Limited, Chakradharee Estates Developers Private Limited, DLF Gayatri Home Developers Private Limited, Lizebeth Builders & Developers Private Limited, Vkarma Capital Investment Management Company Private Limited and Vkarma Capital Trustee Company Private Limited (Transferor Companies) with DLF Residential Partners Limited (Transferee Company) was filed before the Hon'ble NCLT, Chandigarh on 16 July 2020. The First Motion Application was disposed of by the Hon'ble NCLT, Chandigarh on 12 January 2021 with the directions to file Second Motion Petition.

Actual Image



DLF Cyber Park, Gurugram



Actual Image

Interiors of DLF Cyber Park, Gurugram

Subsequently, Second Motion Petition was filed before the Hon'ble NCLT, Chandigarh on 18 January 2021. The matter is pending before the Hon'ble NCLT.

5. Pursuant to Sections 230-232 and other relevant provisions of the Act read with Rules made thereunder, a Scheme of Amalgamation of Richmond Park Property Management Services Limited (Transferor Company) with DLF Emporio Limited (Transferee Company) was filed before the Hon'ble NCLT, Chandigarh on 4 May 2020. The matter is pending before Hon'ble NCLT, Chandigarh.

B. Merger(s) filed/ pending before the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi

1. During the financial year, the Hon'ble Regional Director, Northern Region, New Delhi vide its Order dated 15 March 2021 has approved the Scheme of Amalgamation of Nayef Estates Private Limited (Nayef) with Afaaf Builders & Developers Private Limited (Afaaf) and Nayef stands merged with Afaaf with effect from the Appointed Date of 1 April 2020.
2. The Board of Directors of the respective wholly-owned subsidiaries vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Arva Builders & Developers Private Limited, Balint Real Estates Private Limited, Havard Builders & Developers Private Limited and Mujaddid Builders & Developers Private Limited (Transferor Companies) with Akina Builders & Developers Private Limited (the Transferee Company).
3. The Board of Directors of the respective wholly-owned subsidiaries vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Abjayoni Estates Developers Private Limited, Camden Builders & Developers Private Limited, Nilima Real Estate Developers Private Limited and Rosalind Builders & Constructions Private Limited (Transferor Companies) with Atherol Builders & Developers Private Limited (Transferee Company).
4. The Board of Directors of the respective wholly-owned subsidiaries vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Abheek Real Estate Private Limited, Anuroop Builders & Developers Private Limited, Charon Elevators Private Limited, Grism Builders & Developers Private Limited, Luvkush Builders Private Limited, Peace Buildcon Private Limited and Vismay Builders & Developers Private Limited (Transferor Companies) with Ananti Builders & Construction Private Limited (Transferee Company).
5. The Board of Directors of the respective wholly-owned subsidiary vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Chrysilla Builders & Developers Private Limited (Transferor Company) with Arlie Builders & Developers Private Limited (Transferee Company).
6. The Board of Directors of the respective wholly-owned subsidiaries vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Kambod Real Estates Private Limited and Shikhi Estates Private Limited (Transferor Companies) with Qabil Builders & Developers Private Limited (Transferee Company).
7. The Board of Directors of the respective wholly-owned subsidiary vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Laxmibanta Estates Developers Private Limited (Transferor Company) with Sagardutt Builders & Developers Private Limited (Transferee Company).
8. The Board of Directors of the respective wholly-owned subsidiaries vide their Resolutions dated 11 March 2021 have accorded consent for Scheme of Amalgamation involving Fabrizio Real Estates Private Limited and Karena Estates Developers Private Limited (Transferor Companies) with Vamil Builders & Developers Private Limited (Transferee Company).
9. The Board of Directors of the respective wholly-owned subsidiaries vide their Resolutions dated 13 April 2021 have accorded consent for Scheme of Amalgamation involving Alfonso Builders & Developers Private Limited and Rinji Estates Developers Private Limited (Transferor Companies) with Hoshi Builders & Developers Private Limited (Transferee Company).
10. The Board of Directors of the respective wholly-owned subsidiary vide their Resolutions dated 13 April 2021 have accorded consent for Scheme of Amalgamation involving Rajika Estates Developers Private Limited (Transferor Company) with Uncial Builders & Constructions Private Limited (Transferee Company).
11. The Board of Directors of the respective wholly-owned subsidiary vide their Resolutions dated 13 April 2021 have accorded consent for Scheme of Amalgamation involving Cirila Builders And Constructions Private Limited (Transferor Company) with Verano Builders & Developers Private Limited (Transferee Company).

Artist's impression of DLF Downtown, Gurugram



Actual Image



DLF Downtown, Gurugram under construction

Actual Image

DLF Downtown, Gurugram under construction

Listing at Stock Exchanges

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

Management Discussion and Analysis Report

The Management Discussion and Analysis Report, as required under Regulation 34 read with Schedule V to the SEBI Listing Regulations, forms part of the Annual Report.

Corporate Governance Report

The Company is committed to sound corporate governance practices as well as compliance with all applicable laws and regulations. The Board believes that combining the highest level of ethical principles with our unmatched brand, experience and expertise, will ensure that we continue to be the leading company in our sector. The Corporate Governance Report, as stipulated under Regulations 17 to 27 & 46(2) and Paragraphs C, D and E of Schedule V to the SEBI Listing Regulations, forms part of the Annual Report.

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

Directors' Responsibility Statement

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

- (i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and the profit and loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the Annual Accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable

laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors

The Independent Directors in their disclosures have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the disclosures received from Independent Directors, the Board of Directors has confirmed that they fulfilled conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and were independent of the Management.

Confirmation by Directors regarding Directorship/Committee Positions

Based on the disclosures received, none of the Directors on the Board holds directorships in more than ten public companies and none of the Independent Directors served as an Independent Director on more than seven listed entities as on 31 March 2021. Further, no Whole-time Director served as an Independent Director in any other listed company. Necessary disclosures regarding Committee positions in other public companies as on 31 March 2021 have been made by the Directors and have been reported in the Corporate Governance Report and form a part of this Report.

Certification from Company Secretary in Practice

A certificate has been received from AS & Associates, Company Secretaries in practice that none of the Directors on the Board of the Company had been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such other Statutory/Regulatory authority.

Board and its Committees

The Board of Directors met five times during the FY 2020-21. The details on the composition of the Board, Committees, meetings held, and related attendance are provided in the Corporate Governance Report and form part of the Annual Report.

Auditors and Audit Reports

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

Artist's impression of DLF Downtown, Chennai



Actual Image



Actual Image

DLF Downtown, Chennai under construction

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

Cost Auditors

During the year, M/s R.J. Goel & Co., Cost Accountants (FRN 000026) were appointed as Cost Auditors of the Company for the FY 2020-21 for conducting the audit of cost records of the Company pertaining to real estate development activities. Your Company is maintaining the requisite cost records and the Cost Audit Report for the FY 2020-21 which shall be filed with the Ministry of Corporate Affairs in due course.

A certificate from the Cost Auditors certifying their independence and arm's length relationship has been received by the Company.

As per provisions of the Act, the remuneration payable to Cost Auditors is required to be approved by the members in a General Meeting. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s R.J. Goel & Co., Cost Accountants is included in the notice convening the AGM.

Secretarial Auditor

Dr. K.R. Chandratre, Company Secretary in practice was appointed as Secretarial Auditor of the Company to conduct Secretarial Audit for the FY 2020-21. The Secretarial Audit Report and Secretarial Compliance Report for the financial year ended 31 March 2021 is annexed herewith at **Annexure-B**. The Secretarial Audit Report does not contain any qualification, reservation, adverse remarks or disclaimers. The Secretarial Compliance Report has been filed with the stock exchanges.

DLF Cyber City Developers Limited, DLF Assets Limited, DLF Powers & Services Limited and DLF Home Developers Limited, material subsidiaries of the Company, have also undergone Secretarial Audit under Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations.

Accordingly, the Secretarial Audit Report for the financial year ended 31 March 2021 of DLF Cyber City Developers Limited, DLF Assets Limited and DLF Power & Services Limited issued by Dr. K.R. Chandratre and the Secretarial Audit Report of DLF Home Developers Limited, issued by M/s Sanjay Grover & Associates, Practicing Company Secretaries, are at **Annexure-B**. The said reports are self-explanatory and do not contain any qualifications, reservations, adverse remarks or disclaimers.

Reporting of Fraud by Auditors

During the year under review, the Auditors have not reported any instance of fraud in respect of the Company, its officers or employees under Section 143(12) of the Act.

Secretarial Standards

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

Directors and Key Managerial Personnel

During the year under review, Dr. K.P. Singh resigned as Non-executive Director/ Chairman of the Company on 4 June 2020. The Board elevated Mr. Rajiv Singh, Vice Chairman as the Chairman of the Company w.e.f. 4 June 2020. The Board has conferred upon Dr. K.P. Singh, lifetime title of 'Chairman Emeritus' w.e.f. 5 June 2020.

Mr. Mohit Gujral and Mr. Rajeev Talwar, Chief Executive Officer and Whole-time Director(s) superannuated from close of the business hours on 31 October 2020 and 31 March 2021, respectively.

Dr. K.N. Memani and Dr. D.V. Kapur also ceased to be Independent Directors of the Company w.e.f. 31 March 2021 (close of business hours) upon completion of their second term under the Act.

Mr. Ashok Kumar Tyagi and Mr. Devinder Singh, Whole-time Directors were redesignated/ appointed as Chief Executive Officer and Whole-time Director(s) by the Board of Directors at its meeting held on 11 June 2021 for a term co-terminus with their appointment as Whole-time Directors, subject to the approval of the shareholders.

Ms. Savitri Devi Singh and Ms. Anushka Singh were appointed as Additional Directors of the Company w.e.f. 11 June 2021 to hold office up to date of ensuing AGM. The Company has received a notice in writing under the provisions of Section 160 of the Act from member(s) proposing the candidature(s) of Ms. Savitri Devi Singh and Ms. Anushka Singh for the office of Director of the Company, liable to retire by rotation.

Pursuant to the provisions of Section 152 of the Act read with Articles of Association of the Company, Ms. Pia Singh, Director is liable to retire by rotation at the ensuing AGM and, being eligible, has offered herself for re-appointment. The resolution seeking members' approval for her re-appointment forms part of the AGM notice.

Mr. Subhash Setia, Company Secretary and Compliance Officer, superannuated from close of business hours on 30 September 2020 from the services of the Company. Mr. R.P. Punjani was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 1 October 2020.

A brief resume of the Director(s) seeking appointment/ re-appointment/ re-designation, along with other details as stipulated under Regulation 36(3) of the SEBI Listing Regulations read with the Secretarial Standards on General Meetings, is provided in the Corporate Governance Report and Notice for convening the AGM.



Artist's impression of DLF Tech Park, Noida

Actual Image

Data Center at DLF Tech Park, Noida under construction



Actual Image

DLF Tech Park in Noida under construction

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31 March 2021 were Mr. Rajiv Singh, Chairman/ Whole-time Director, Mr. Ashok Kumar Tyagi, Mr. Devinder Singh, Chief Executive Officer and Whole-time Director(s), Mr. Vivek Anand, Group Chief Financial Officer and Mr. R.P. Punjani, Company Secretary & Compliance Officer of the Company.

Corporate Social Responsibility (CSR)

The DLF Group implements its CSR initiatives through DLF Foundation, which plays an indispensable role along with the Government, civil society and communities to resolve critical development challenges faced by the communities. Its programmes are aligned with the immediate ongoing priorities of the Government.

DLF believes that it needs to empower communities across various domains through an integrated and holistic approach so that they are able to realise their full potential while making a difference to the society. The Company believes in creating value for the stakeholders, including the underprivileged sections of the society and that everyone should be able to lead a life with dignity.

The Company has been contributing continuously towards building sustainable capacities and creating resources for the marginalised people near its operational areas.

DLF Foundation addresses Social Development Projects with an integrated holistic approach to ensure that its programmes impact critical aspects of the lives of the underserved in the areas of Education, Healthcare, Environment Preservation, Women Empowerment, Promotion of Sports and Social Infrastructure, as also for Animal Welfare.

The Board, based on the recommendations of the CSR Committee, approved the CSR Policy of the Company in accordance with Section 135 of the Act and Rules made thereunder. A copy of the CSR policy is available on the Company's website at <https://www.dlf.in/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>.

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

Environment and Sustainability

At DLF, we embrace our unique position as industry pioneers to re-write the Indian Real Estate narrative. We take pride in enacting, exemplifying and exceeding the highest environmental, social and governance standards, which address the pressing challenges faced by our Nation.

To realise our business vision, we strive to excel in the three basic parameters. In order to do that, we have mapped the issues relevant to our business

and stakeholders. Our endeavour is to strive for operational excellence, while pursuing growth that is environmentally and socially sustainable. Therefore, our sustainability strategy is centered around three key pillars: Sustainable Business, Environmental Stewardship and Social Stewardship.

While we focus on expanding our footprint and increasing our revenue, it is imperative for us to assess and monitor the risks and opportunities continuously. This includes assessing the emerging trends and addressing issues of climate change as we move forward.

Therefore, our approach to sustainability includes monitoring our growth in alignment with our targets and commitments as we advance on the journey of development.

We believe that our values form the foundation of this process, while engaging in a more responsible business model. This mission and vision govern our decisions and continually evolve.

DLF has maintained rigorous safety standards vetted by world-class independent organisations like British Safety Council. Testimony of this is that we are the only group globally to be conferred 16 'Sword of Honour' awards in a year from the British Safety Council, a pinnacle of safety standards across the world.

DLF Buildings have also been conferred with 'Five Star Rating for Occupational Health and Safety' by British Safety Council. As a recognition of your Company's policies on governance, social and environmental initiatives, your Company has been recognised as an index component in the Dow Jones Sustainability Indices in the emerging markets category. DLF is the only real estate company from India to be included in this index.

The Company is deeply committed to the health, well-being and prosperity of its customers, partners, employees and all other stakeholders. We are continuously innovating to create safer workplaces, green and intelligent buildings, energy-efficient, smarter cities for sustainable communities across India to achieve long-term stakeholders' value.

Our Environment, Social and Governance Report is available at <https://www.dlf.in/investor.php>.

Annual Return

The Annual Return under Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, is available at https://www.dlf.in/annual_docket/ANNUAL_RETURN_2020_2021.pdf.

Awards and Accolades

Your Company continues to lead its sector and has received a number of awards. The details of the major awards and accolades received during the year are given at **Annexure-F**.



Actual Image
Atrium Place, Gurugram under construction



Actual Image
Atrium Place, Gurugram under construction



Artist's impression of Atrium Place, Gurugram

Business Responsibility Report (BRR)

The BRR describes the initiatives taken by the Company from social, environmental and governance perspectives. Details are at **Annexure-G**.

Particulars of Loans, Guarantees, Securities and Investments

Particulars of loans, guarantees, securities and investments have been disclosed in the notes to the Standalone Financial Statements.

Transactions with Related Parties

The Company has robust processes and procedures for identification and monitoring related party(ies) and related party transactions.

The Company's policy for related party transactions regulates the transactions between the Company and its related parties. The said policy is available on the Company's website at <https://www.dlf.in/pdf/Related%20Party%20Transaction%20Policy.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties.

During the year, none of the transactions with related parties came under the purview of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2020-21 and hence does not form part of this report.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy was devised in accordance with Section 178 of the Act and the SEBI Listing Regulations. The Nomination and Remuneration Policy of the Company is aimed at inculcating a performance-driven culture. Through its comprehensive compensation programme, the Company endeavours to attract, retain, develop and motivate a high-performance workforce. The said policy is available on the Company's website at <https://www.dlf.in/pdf/Nomination%20and%20Remuneration%20Policy.pdf>.

The Company pays remuneration to its Chief Executive Officers, Whole-time Directors by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component). Annual increments are approved by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors decides the commission payable to the Chief Executive Officers, Whole-time Directors and Non-executive Directors out of the profits for the financial year within the ceilings prescribed under the Act.

Annual Evaluation of the Board, its Committees and Individual Directors

The Nomination and Remuneration Committee has formulated criteria for Board evaluation, its Committees' functioning and Individual Directors including Independent Directors and also specified that such evaluation will be done by the Nomination and Remuneration Committee and the Board, pursuant to the Act and the Rules made thereunder read with the SEBI Listing Regulations.

DLF believes that it is the collective effectiveness of the Board that impacts Company's performance, as a whole. The Board's performance is assessed against the role and responsibilities as provided in the Act and the SEBI Listing Regulations. The parameters for the Board's performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholders' value as well as to fulfil expectations of other stakeholders through strategic supervision of the Company.

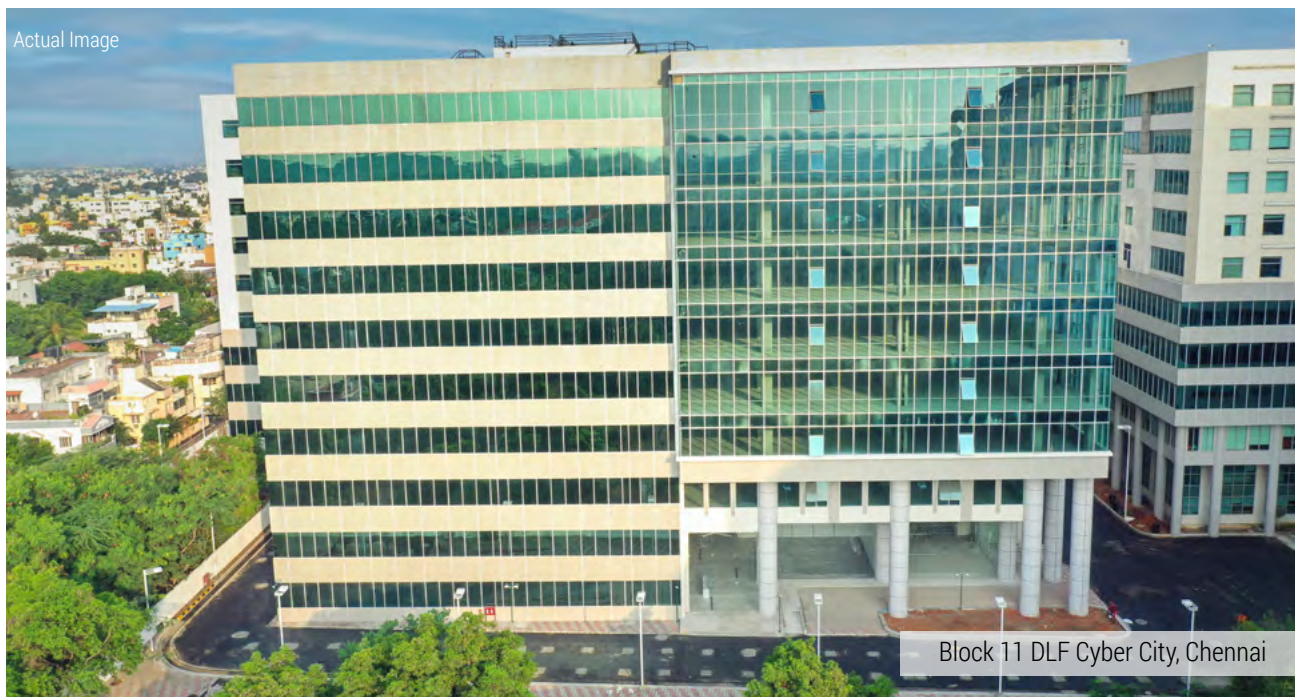
Evaluation of functioning of Board Committees is based on discussions amongst Committee members and shared by the respective Committee Chairman with the Board. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals. While the Board evaluated its performance against the parameters laid down by the Nomination and Remuneration Committee, the evaluation of individual Directors was carried out against the laid down parameters, anonymously in order to ensure objectivity. The Independent Directors of the Board also reviewed the performance of the Non Independent Directors and the Board, pursuant to Schedule IV to the Act and Regulation 25 of the SEBI Listing Regulations.

Internal Financial Control

Your Company has a robust and well embedded system of internal controls. This ensures that all assets are safeguarded and protected against loss from unauthorised use or disposition and all transactions are authorised, recorded and reported correctly. An extensive risk based programme of internal audit and management reviews provides assurance on the effectiveness of internal financial controls, which are continuously monitored through management reviews, self-assessment, functional experts as well as by the Statutory/ Internal Auditors during the course of their audits.

The internal audit was entrusted to Grant Thornton Bharat LLP. The main thrust of internal audit was to test and review controls, appraisal of risks and business processes, as also benchmarking controls with the best industry practices.

Actual Image



Block 11 DLF Cyber City, Chennai

Actual Image



Block 12 DLF Cyber City, Chennai under completion



Artist's impression of The Hub, DLF Cyber City, Chennai

The internal control system ensures compliance with all applicable laws and regulations and facilitates optimum utilisation of available resources and protects the interests of all stakeholders. The Company has clearly defined Policies, Standard Operating Procedures (SOPs), Financial and Operational Delegation of Authority (DOA) and Organisational Structure for its business functions to ensure a smooth conduct of its business. The Enterprise Resource Planning (ERP) system supports in standardisation of processes and automation.

The internal audit plan is also aligned to the business objectives of the Company, which is reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal control framework. Significant audit observations are followed-up and the actions taken are reported to the Audit Committee.

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

Insider Trading Code

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended ('the PIT Regulations') on prevention of insider trading, your Company has revised 'DLF Code of Conduct to Regulate, Monitor and Report by Designated Persons and Immediate Relatives' in line with the recent amendments brought by SEBI in the PIT Regulations. The said Code lays down guidelines, which advise Designated Persons on the procedures to be followed and disclosures to be made in dealing with the securities of the Company and cautions them on consequences of non-compliances. Your Company has also updated its Code of practices and procedures of fair disclosures of unpublished price sensitive information including a policy for determination of legitimate purposes. Further, your Company has put in place an adequate and effective system of internal controls including maintenance of structural database, standard processes to ensure compliance with the requirements of the PIT Regulations to prevent insider trading.

Risk Management

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the Risk Management Plan for the Company. The Committee is responsible for monitoring and reviewing the Risk Management Plan and ensuring its effectiveness. The major business and process risks are identified from time to time by the businesses and functional heads. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Risk management forms an integral part of the management policies and is an ongoing process integrated deeply into everyday operations.

The development and implementation of Risk Management Policy has been covered in the Management Discussion and Analysis Report, which forms part of this report.

Significant and Material Orders passed by Regulators or Courts or Tribunals

During the year under review, no significant and material order was passed by the regulators/ courts/ tribunals which would impact the going concern status of the Company and its future operations. However, some significant orders passed previously form part of Note 49 to the Standalone Financial Statements.

A petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC) was filed by IL & FS Engineering Construction Company Limited (IL&FS) praying that the Corporate Debtor is liable to pay approximately ₹ 46.34 crore in connection with a road project contract at Sector 56, Gurugram. The Company has filed its reply inter-alia that the said amount is not payable and hence, the petition is liable to be dismissed. On the contrary, the Company has a claim for approximately ₹ 607.04 crore and a claim will be filed before the concerned authority.

Vigil Mechanism

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour.

The Whistle Blower Policy is posted on your Company's website at <https://www.dlf.in/corporate-governance-policies/DLFWBP.pdf>.

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

Your Company continues to follow a robust anti-sexual harassment policy on 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace' in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH') and Rules made thereunder. Internal Complaints Committee has been set-up to redress complaints received regarding sexual harassment at various workplaces in accordance with POSH. The Committee constituted in compliance with POSH ensures a free and fair enquiry process with clear timelines for resolution. To build awareness in this area, the Company has been conducting programmes on regular basis.

All employees, including those of subsidiaries (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

Board's Report

During the financial year under review, no case was reported. The Company continues to promote the cause of women colleagues, through 'Jagruti', all-women's forum for experience sharing, creating awareness on women's safety/ related issues, celebrating important days dedicated to women and organising workshops on gender sensitivity.

Acknowledgements

The Board of Directors wish to place on record their sincere appreciation to all the employees for their dedication and commitment. Their hard work and unstinted efforts enabled the Company to sustain its performance and consolidate its sectoral leadership.

Your Company continues to be respected by stakeholders, including valuable customers. The Board of Directors would like to express their sincere appreciation for assistance and co-operation received from vendors and stakeholders, including financial institutions, banks, Central and State Government authorities, customers and other business

associates, who continued to extend their valuable support during the year under review. It will be the Company's endeavour to nurture these relationships in strengthening business sustainability.

The Board of Directors sincerely offer condolences to the family members for loss of their loved ones due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked his/ her life and safety to fight this pandemic.

The Board of Directors appreciate and value the contribution made by every member of DLF family who remain dedicated to the Company during these difficult times.

For and on behalf of the Board of Directors

(Ashok Kumar Tyagi)

CEO and Whole-time
Director
(DIN: 00254161)

26 July 2021
Gurugram

(Devinder Singh)

CEO and Whole-time
Director
(DIN: 02569464)

Actual Image



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

A. CONSERVATION OF ENERGY	
i) Steps taken or impact on conservation of energy	In FY 2020-21, DLF Limited has utilized 2,01,121 KWH of electrical units generated by Solar PV based rooftop electrical systems installed at DLF Kolkata IT Park - II, Two Horizon Center - Gurugram, South Square - Delhi and Capitol Point - Delhi.
ii) Steps taken by the Company for utilising alternate sources of energy	Solar PV based rooftop electrical systems of capacity 200 KW have been installed on the building rooftops at the above-mentioned locations.
iii) Capital investment on energy conservation equipment	Nil

B. TECHNOLOGY ABSORPTION	
i) Efforts made towards technology absorption	N.A.
ii) Benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): a) Details of technology imported; b) Year of import; c) Whether the technology been fully absorbed; and d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof.	N.A.
iv) Expenditure incurred on Research and Development.	N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO		
	(₹ in crore)	
	2020-21	2019-20
a) Foreign Exchange Earnings	Nil	11.93
b) Foreign Exchange outgo (including principal repayment of borrowings)	552.10	524.94

26 July 2021
Gurugram

(Ashok Kumar Tyagi)
CEO and Whole-time Director
(DIN: 00254161)

(Devinder Singh)
CEO and Whole-time Director
(DIN: 02569464)