

**Private & Confidential – For Private Circulation Only**

*(This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus). This Disclosure Document prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and SEBI Circular dated 29.10.2013 having Circular No. CIR/IMD/DF/18/2013)*



**DLF EMPORIO LIMITED**  
**CIN: U74920HR1999PLC034168**  
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**DISCLOSURE DOCUMENT FOR PRIVATE PLACEMENT OF SECURED, RATED, LISTED RUPEE DENOMINATED NON-CONVERTIBLE DEBENTURES IN THE NATURE OF DEBENTURES OF Rs. 10,00,000(RUPEES TEN LACS) EACH (“DEBENTURES”) FOR CASH AT PAR AGGREGATING TO Rs. 525,00,00,000(RUPEES FIVE HUNDRED TWENTY FIVE CRORES) BY DLF EMPORIO LIMITED (“DLFEL” OR THE “ISSUER” OR “THE COMPANY”)**

### CREDIT RATING

**CRISIL has assigned CRISIL AA (SO)/Stable rating.**

A CRISIL Rating reflects CRISIL’s current opinion on the likelihood of timely payment of the obligation under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on the information provided by the Issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell or hold the rated instrument, it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability what so ever to the subscribers / users / transmitters / distributors of this product.

### GENERAL RISK

Investment in debt instruments involves a degree of risk and investors should invest any funds in the issue only after reading the risk factors in the Information Memorandum carefully including the risk involved. The Securities have not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

### ISSUER’S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the Issuer and the issue, which is material in the context of the issue, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intention expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

## LISTING

The Debentures are proposed to be listed on Wholesale Debt Market ("WDM") of Bombay Stock Exchange (BSE).

### DEBENTURE TRUSTEE TO THE ISSUE

### REGISTRAR TO THE ISSUE

	<p>Axis Trustee Services Limited 2nd floor, E, Axis House, Bombay Dyeing Mills Compound, PandurangBudhkarMarg, Worli, Mumbai-400025 Tel : 022-24255216 Fax : 022-24254200 Email : debenturetrustee@axistrustee.com</p>		<p>Karvy Computershare Private Limited Plot No. 17 to 24, VittalRao Nagar, Madhapur, Hyderabad 500 081 Tel : 040-44655000 Fax : 040-23331551 Email : einward.ris@karvy.com</p>
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### ARRANGER TO THE ISSUE

 <p><i>In partnership. With trust</i></p>	<p><b>Trust Investment Advisors Pvt. Ltd.</b> 109/110, 1<sup>st</sup> Floor, Balarama Building, Bandra Kurla Complex, Bandra (E), Mumbai - 400051, Maharashtra Tel : +91 22 40845000, Fax: +91 22 40845066, Email : mbd.trust@trustgroup.co.in</p>
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## ISSUE SCHEDULE

Issue Opening Date	May 19, 2014
Issue Closing Date	May 21, 2014
Pay in Dates	May 19, 2014 - May 21, 2014
Deemed Date of Allotment	May 22, 2014

*In consultation with the Arranger, the Issuer reserves the right to pre pone the issue earlier from the aforesaid date or post pone the issue at its sole and absolute discretion without giving any reasons or prior notice. In the event of any change in the above issue programme, the Issuer will intimate the investors about the revised issueprogramme.*

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## DEFINITIONS/ ABBREVIATIONS

Account Agreement	means the account agreement entered amongst the Issuer, the Debenture Trustee, and the Account Bank dated May 15,2014 in relation to the operation of the Escrow Account and the DSR Account
Account Bank	Axis Bank Limited
AY	Assessment Year
Allotment/ Allot/ Allotted	The issue and allotment of the Debentures to the successful Applicants in the Issue
Allottee	A successful Applicant to whom the Debentures are allotted pursuant to the Issue, either in full or in part
Applicant/ Investor	A person who makes an offer to subscribe the Debentures pursuant to the terms of this Disclosure Document, the Offer Letter and the Application Form.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Debentures and which will be considered as the application for allotment of Debentures in the Issue
Beneficial Owner(s)	Debenture Holder(s) holding Debenture(s) in dematerialized form (Beneficial Owner of the Debenture(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Business Day	a day (other than a Saturday, Sunday or a Bank holiday) on which banks are open for general business in New Delhi/Delhi NCR
Board/ BoD/ BOD	Board of directors of the Issuer for the time being and from time to time.
BSE	BSE Limited
CAG	Comptroller and Auditor General of India
CDSL	Central Depository Services (India) Limited
Companies Act	means the Companies Act, 1956 as substituted by the Companies Act, 2013 (to the extent notified and effective), as may be amended from time to time and shall include any statutory amendment or re-enactment thereof from time to time including but not limited to the rules, circulars or orders issued thereunder.
CRISIL	CRISIL Limited
Debt Securities	Non-Convertible debt securities which create or acknowledge indebtedness and include debenture / Debentures and such other securities of a body corporate or any statutory body constituted by virtue of a legislation, whether constituting a charge on the assets of the Issuer or not, but excludes Debentures issued by Government or such other bodies as may be specified by SEBI, security receipts and securitized debt

	instruments
Debenture(s)	means the 5250 debt instruments in the form of secured, rated, listed, redeemable, rupee denominated, non convertible debentures of the face value of Rs. 10,00,000 (Rupees Ten Lakhs only) each aggregating to Rs. 525,00,00,000 (Rupees Five Hundred and Twenty Five Crore only) issued by the Issuer on the terms and conditions contained in the Debenture Trust Deed, Transaction Documents and the Information Memorandum.
Debenture Director's Declaration	means the director's declaration to be provided by a director of the Issuer authorized to provide such declaration in relation to the creation of mortgage by deposit of title deeds over the Mortgaged Property under the Debenture Memorandum of Entry
Debenture Nominee Director	means the person who is an employee, officer or representative of the Debenture Trustee appointed as a nominee director on the Board pursuant to Clause 2.29 of this Deed and shall include such other person appointed as its replacement..
Debenture Trust Deed	The Debenture trust deed entered between Issuer and Trustee dated May 15, 2014
Debenture Trustee Appointment Agreement	means the appointment agreement entered between the Trustee and the Issuer dated May 15, 2014 setting out the terms of appointment of the Trustee.
Debenture Trustee or Trustee	Axis Trustee Services Limited being the Trustee acting on behalf of the Debenture Holders
Debenture Holder(s)	means the various banks, financial institutions, foreign institutional investors, mutual funds and companies who have subscribed to the Debentures and includes any one or more of them or their respective successors/ transferees and assigns as appearing in the list of Beneficial Owners provided by the Depositories.
Debenture Memorandum of Entry	means the memorandum recording creation of mortgage by deposit of title deeds over the Mortgaged Property as per the terms of the Debenture Trust Deed.
Deed of Hypothecation	means the deed of hypothecation to be entered between the Issuer and the Trustee ,in terms of which the Issuer shall create a first and exclusive charge over the Escrow Account and the DSR Account in favour of the Debenture Trustee (acting on behalf of the Debenture Holders).
Deemed Date of Allotment (DDA)	1 (one) Business Day from the receipt of the entire Subscription Amount
Depository	National Securities Depository Limited and /or Central Depository Service (India) Limited being a Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant (DP)	A Depository participant as defined under Depositories Act
Disclosure Document	Disclosure Document for private placement of Secured, Rated, Listed, Redeemable, Rupee Denominated Non-Convertible Debentures in the Nature of Debentures of face value of Rs. 10,00,000(Rupees TenLacs) each by Issuer aggregating to Rs.525,00,00,000(Five Hundred Twenty FiveCrore)

DRR	Debenture Redemption Reserve
DSR ACCOUNT	means the debt service reserve account opened by the Issuer with the Account Bank in which the Issuer shall maintain the Debt Service Reserve Amounts and which shall be operated in accordance with the terms of the Account Agreement.
Early Redemption date	Means a date falling anytime between 60 <sup>th</sup> and 66 <sup>th</sup> months from the Deemed Date of Allotment on which the Issuer shall exercise a call option through a written notice of at least 10 days conveying such intention.
Escrow Account	means the escrow account opened by the Issuer with the Account Bank in which the Issuer shall ensure that all the Receivables shall be deposited and which shall be operated in accordance with the terms of the Account Agreement.
Final Redemption Date	means the date falling 7 (seven) years and 6 (six) months from the Deemed Date of Allotment.
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors
Financial Year/ FY	Period of twelve months ending March 31, of that particular year
GoI/ GOI	Government of India/ Central Government
GIR	General Index Registration Number
Insurance Policy	means any policy of insurance in which the Issuer may from time to time have an interest in respect of the Mortgaged Property (or part thereof), and as at the date of the Debenture Trust Deed.
Issuer	DLF EMPORIO LIMITED having Registered Office at Shopping Mall, Phase - I, DLF City, Gurgaon - Haryana - 122 002
Listing Agreement	Listing Agreement for Debt Securities issued by Securities and Exchange Board of India vide circular no. SEBI/IMD/DEBENTURE/1/2009/11/05 dated May 11, 2009 and Amendments to Simplified Debt Listing Agreement for Debt Securities issued by Securities and Exchange Board of India vide circular no. SEBI/IMD/DOF-1/DEBENTURE/Cir-5/2009 dated November 26, 2009 and Amendments to Simplified Debt Listing Agreement for Debt Securities issued by Securities and Exchange Board of India vide circular no. SEBI/IMD/DOF-1/DEBENTURE/Cir-1/2010 dated January 07, 2010
Material Adverse Effect	means in respect of any person, the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause, a material and adverse effect on (i) the financial condition, business or operation of the Issuer in a manner which prejudices the Issuer's ability to perform its obligations under the Transaction Documents; or (ii) the legality, validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its rights or remedies thereunder).
Mortgaged Property	The property of the Issuer being mortgaged in favour of the Trustee in accordance with the Transaction Documents the description of which is set out in Schedule V of the Debenture Trust Deed.
MF	Mutual Fund
MoF	Ministry of Finance

NSDL	National Securities Depository Limited
Offer Letter	the private placement offer letter in Form PAS – 4 (prescribed under the Companies Act, 2013) along with the application form circulated on or about the date of the Debenture Trust Deed by the Issuer to the Debenture Holders under which the Issuer has offered, to the Debenture Holders, for issuance by way of private placement of the Debentures and the Debenture Holders have agreed to subscribe to the Debentures on the terms and conditions as set out in the Debenture Trust Deed and the other Transaction Documents.
PAN	Permanent Account Number
Put Option Agreement	means the put-option agreement entered between the Option Provider, the Issuer and the Trustee dated May 15,2014 in relation to the Put Option.
Put Option Director's Declaration	Means the director's declaration to be provided by a director of the Issuer authorized to provide such declaration in relation to the creation of mortgage by deposit of title deeds over the Mortgaged Property under the Put Option Memorandum of Entry.
Put Option Memorandum of Entry	the memorandum recording creation of mortgage by deposit of title deeds over the Mortgaged Property as per the terms of the Debenture Trust Deed and the Put-option Agreement.
Put Settlement date	The Option Provider will be obliged to pay to the Debenture Trustee the Obligations as set out in the Put Notice within 1 (one) Business Day of receipt of the Put Notice.
Rs./ INR/ `	Indian Rupees
RTGS	Real Time Gross Settlement
Record Date	The date 15(fifteen) days prior to any interest payment date or any Redemption Date.
Redemption Date	the Final Redemption Date, an Early Redemption Date, a Scheduled Redemption Date or a Part Redemption Date, as the case may be.
Redemption Amount	the aggregate of the outstanding principal amount of each Debenture, Interest and the Default Interest, if any.
Registrar	Registrar to the Issue, in this case being Karvy Computershare Private Limited
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and SEBI Circular dated 29.10.2013 having Circular No. CIR/IMD/DF/18/2013)
Share Pledge Agreement	means the share pledge agreement entered by the Pledgors in favour of the Trustee pledging 100% of the equity share capital of, and voting rights in the Issuer together held by the Pledgors.
Subscription Amount	Rs. 525,00,00,000 (Rupees Five Hundred and Twenty Five crore only)
TDS	Tax Deducted at Source
Top-Up Obligation	"Top-Up Obligation" means the obligation of the Issuer to top up the Escrow Account with the redemption amount at least 2 (Two) business days prior to the Early Redemption Date.
The Issue/ The Offer/	Private Placement of Secured, Rated, Listed, Redeemable Rupee Denominated Non-



Private Placement	Convertible Debentures in the Nature of Debentures of face value of Rs. 10,00,000(Rupees TenLacs) each by the Issuer aggregating to Rs. 525,00,00,000(Five Hundred Twenty Fivecrore)
Transaction Documents	Collectively the Debenture Trust Deed, this Disclosure Document, the Debenture Trustee Appointment Agreement, the Debenture Memorandum of Entry, the Put-option Memorandum of Entry, the Put Option Director's Declaration, the Debenture Director's Declaration, the Share Pledge Agreement, the Deed of Hypothecation, the Account Agreement, the Put option Agreement, the Offer Letter, the letters issued by the Rating Agency and any other document in relation to the issuance of the Debentures which has been designated as a 'Transaction Document' by the parties.

## DISCLAIMER

### 1. **DISCLAIMER OF THE ISSUER**

This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and SEBI Circular dated 29.10.2013 having Circular No. CIR/IMD/DF/18/2013, as amended. This Disclosure Document does not constitute an offer to public in general to subscribe for or otherwise acquire the Debentures to be issued by **DLF EMPORIO LTD.** (“Issuer”). This Disclosure Document is for the exclusive use of the addressee and it should not be circulated or distributed to third party (ies). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Debentures issued by the Issuer. This Debenture issue is made strictly on private placement basis. Apart from this Disclosure Document, no offer document or prospectus has been prepared in connection with the offering of this Debenture issue or in relation to the Issuer.

This Disclosure Document is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the Debentures issued by Issuer. This Disclosure Document has been prepared to give general information regarding parties proposing to invest in this issue of Debentures and it does not purport to contain all the information that any such party may require. Issuer believes that the information contained in this Disclosure Document is true and correct as of the date hereof. Issuer does not undertake to update this Disclosure Document to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with Issuer. However, Issuer reserves its right for providing the information at its absolute discretion. Issuer accepts no responsibility for statements made in any advertisement or any other material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility.

Prospective subscribers must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in Debentures. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Debentures. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the Debentures under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Debentures. Nothing in this Disclosure Document should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the Debentures. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the Debentures. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Debentures and matters incidental thereto.

This Disclosure Document is not intended for distribution. It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The securities mentioned herein are being issued on private placement Basis and this offer does not constitute a public offer/ invitation.

The Issuer reserves the right to withdraw the private placement of the Debenture issue prior to the issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory

environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

## **2. DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA**

This Disclosure Document has not been filed with Securities & Exchange Board of India ("SEBI"). The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Disclosure Document. The Issue of Debentures being made on private placement basis, filing of this Disclosure Document is not required with SEBI. However SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Disclosure Document.

## **3. DISCLAIMER OF THE ARRANGER TO THE ISSUE**

It is advised that the Issuer has exercised self due-diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The role of the Arranger to the Issue in the assignment is confined to marketing and placement of the Debentures on the basis of this Disclosure Document as prepared by the Issuer. The Arranger have neither scrutinized/ vetted nor have they done any due-diligence for verification of the contents of this Disclosure Document. The Arranger shall use this Disclosure Document for the purpose of soliciting subscription from a particular class of eligible investors in the Debentures to be issued by the Issuer on private placement basis. It is to be distinctly understood that the aforesaid use of this Disclosure Document by the Arranger should not in any way be deemed or construed that the Disclosure Document has been prepared, cleared, approved or vetted by the Arranger; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer. The Arranger or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Disclosure Document.

## **4. DISCLAIMER OF THE STOCK EXCHANGE**

As required, a copy of this Disclosure Document has been submitted to the Bombay Stock Exchange. (Here-in-after referred to as "BSE") for hosting the same on its website. It is to be distinctly understood that such submission of the document with BSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the company. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

## **5. DISCLAIMER IN RESPECT OF JURISDICTION**

The private placement of Debentures is made in India to Companies, Corporate Bodies, Trusts registered under the Indian Trusts Act, 1882, Societies registered under the Societies Registration Act, 1860 or any other applicable laws, provided that such Trust/ Society is authorised under constitution/ rules/ byelaws to hold Debentures in a Company, Indian Mutual Funds registered with SEBI, Indian Financial Institutions, Insurance Companies, Commercial Banks including Regional Rural Banks and Cooperative Banks, Provident, Pension, Gratuity, Superannuation Funds as defined under Indian laws. The Information Memorandum does not, however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Information Memorandum comes is required to inform him about and to observe any such restrictions. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the courts at New Delhi. All information considered adequate and relevant about the Issuer Company has been made available in this Information Memorandum for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever.

**6. DISCLAIMER BY DEBENTURE TRUSTEE**

The debenture trustee is not a guarantor and will not be responsible for any non-payment of interest and redemption and/or any loss or claim.

**(A). ISSUER INFORMATION**

<b>Name of the Issuer</b>	<b>: DLF EMPORIO LTD.</b> Registered Office Address: Shopping Mall Phase 1, DLF City Gurgaon Haryana Gurgaon - 122002 Corporate office Address: Same as above Tel.: 011-42102180 Fax: 011-41501771 Website: <a href="http://www.dlfemporio.com">www.dlfemporio.com</a> E-mail: <a href="mailto:dlfemporio@dlf.in">dlfemporio@dlf.in</a>
<b>Compliance Officer for the Issue</b>	<b>:Mr. Vivek Jhunjunwala, Director</b> 10th Floor, DLF Centre, Sansad Marg, New Delhi – 110001 Phone No:011-42102180 Fax No:011-41501771 Email: <a href="mailto:jhunjunwala-vivek@dlf.in">jhunjunwala-vivek@dlf.in</a>
<b>Chief Financial Officer of the Issue</b>	<b>: Mr. Manoj Kumar Dua</b> <b>6th Floor, Gateway Towers,</b> <b>DLF Cybercity, Gurgaon</b> Ph no: 0124-4778002 Fax No: 0124-4057414 Email: <a href="mailto:dua-manoj@dlf.in">dua-manoj@dlf.in</a>
<b>Arranger to the Issue</b>	<b>: Trust Investment Advisors Pvt. Ltd.</b> 109/110, Balarama, Bandra Kurla Complex, Bandra (East), mumbai – 400051. Tel : 022-40845000 Fax: 022-40845007/66 Email id : mbd.trust@trustgroup.co.in
<b>Trustee for the Issue</b>	<b>: Axis Trustee Services Limited</b> 2nd Floor - E, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Tel : 022-24255216 Fax: 022-24254200 Email id : debenturetrustee@axistrustee.com
<b>Registrar to the Issue</b>	<b>: Karvy Computershare Private Limited</b> <b>Plot No. 17 to 24, VittalRao Nagar,</b> <b>Madhapur, Hyderabad 500 081</b> Tel: 040-44655000

Fax: 040-23331551  
Email: einward.ris@karvy.com

**Credit rating Agency** : **CRISIL**  
CRISIL House, Central Avenue,  
Hiranandani Business Park, Powai,  
Mumbai-400076

**Auditors of the Issuer** : **Walker, Chandiok & Co.,**  
L-41, Connaught Circus,  
New Delhi - 110 001

**(B). BRIEF SUMMARY OF BUSINESS/ ACTIVITIES OF ISSUER AND ITS LINE OF BUSINESS:**

**(i) OVERVIEW:**

The Company has constructed a shopping mall-cum-entertainment complex named as “DLF Emporio” at VasantKunj, New Delhi consisting of shops, commercial spaces, entertainment centre including but limited to eateries, convention hall, indoor games court, food courts, restaurants etc. and basement for parking and other spaces etc. for the purpose of leasing it to intending tenants.

**About DLF Emporio Mall- India’s luxury mall**

DLF Emporio Mall has been designed as a name synonymous with luxury –offering a unique shopping experience where the accent is on exclusivity , space and aesthetics .The mall offers a wealth of designers and premium merchandise, lifestyle products and services which are showcased under one elegant roof .The nuances of luxurious serenity are going to be expressed at DLF EmporioMall in a way found only in the fashion capitals of the world, offering just the right kind of tasteful and sublime ambience to attract high value spenders.

Great Care is being taken to ensure that the global retail community at DLF Emporio Mall is the most premium. Only the finest signature brands, designer labels and high end lifestyle products co–exist here.

DLF EmporioMall has been designed by architect MohitGujral in the genre of a five star style setting. Conceptualized around two dramatic atriums courtyard with a skylight, a sense of openness is the central theme. Public spaces offer wide corridors, rich material like Italian marbles, brass detailing, artful lighting, and larger than life chandeliers. A classy marble fountain welcomes the visitors of the DLF EmporioMall. Retail spaces are generously proportioned with high ceilings and large display window to showcase merchandise.

**(ii)CORPORATE STRUCTURE:**

**Board of Directors:**

<b>Name, Designation and DIN</b>	<b>Address</b>	<b>Occupation</b>
Mr. Anupam Sharma (Director & Manager) DIN-05234238	384, DDA FLATS KHIRKI, MALVIYA NAGAR NEW DELHI- 110017.	Service
Ms. DinazMadhukar (Director) DIN-03453167	FLAT NO. 1102, TOWER NO.5, BELMONTE APARTMENTS, DLF GOLF COURSE ROAD, GURGAON, HARYANA-122002	Service
Mr. Vivek Jhunjhunwala (Director) DIN-02921778	230, Sainik Farms, PragatiMarg, W 8 Lane, Western Avenue, New Delhi-110061	Service.
Mr. R.P. Punjani (Director) DIN-00050645	158, Avtar Enclave, PachimVihar, New Delhi - 110063	Service

**Shareholding Pattern:**

<b>Sr No</b>	<b>Particulars</b>	<b>Total No of Equity Shares</b>	<b>No of shares in demat form</b>	<b>TotalShareholding as % of total no of equityshares</b>
1	DLF Cyber City Developers Limited alongwith its 2 nominees	22,27,502	22,27,502	44.92
2	Galleria Property Management Services Pvt. Ltd.	3250	3250	0.06
3	Richmond Park Property Management Services Ltd.	27,25,750	27,25,750	54.97
4	Kirtimaan Builders Ltd.	1498	1498	0.03
5	Ujagar Estates Ltd.	1000	1000	0.02

**KEY OPERATIONAL AND FINANCIAL PARAMETERS FOR THE LAST 3 AUDITED YEARS***(Rs. in Millions)*



Parameters	Dec-13(Unaudited)	FY2012-13	FY 2011-12	FY 2010-11
Net worth	2547.22	2075.77	1464.33	1020.40
Total Debt	1245.60	1691.33	2413.17	3167.95
of which- Non Current Maturities of				
- Long Term Borrowing	584.56	1691.33	2413.17	3000.54
- Short Term Borrowing	661.05	--	--	6.81
-Current Maturities of Long Term Borrowing	--	--	--	160.61
Deferred Tax Liabilities (Net)	284.81	284.91	162.81	63.79
Security Deposit from tenants (long term)	595.99	563.87	556.20	155.59
Interest accrued but not due (long term)	154.77	235.91	84.77	0.00
Net Fixed Assets (incl. CWIP)	4116.61	4152.09	4065.57	4116.71
Non Current Assets	630.45	649.29	532.34	336.65
Cash and Cash Equivalents	61.06	45.19	58.38	133.65
Current Investments	--	--	--	--
Current Assets	93.19	121.45	94.80	243.44
Current Liabilities (including current maturities)	72.92	116.22	69.81	583.32
Net Sales/Revenue (incl. Other Income)	874.00	1175.62	990.03	880.99
EBITDA	824.94	1100.24	944.89	841.68
EBIT	776.70	1039.16	884.94	783.14
Interest	154.81	262.13	341.89	415.69
PAT	471.45	611.48	444.02	319.77
Dividend amounts - Preference [Incl. Dividend Tax]	--	0.04	0.09	0.04
Current ratio	2.12	1.43	2.19	0.65
Interest coverage ratio (Long Term Debts)	5.02	3.96	2.59	1.88
Gross Debt/equity ratio (Long Term Debts)	0.49	0.81	1.65	3.10
Debt Service Coverage Ratios (Long Term Debts)	1.21	1.32	0.92	0.79*

\*In the year 2010-11 the Debt obligations were met out of Proceeds from Issuing Share Capital at Premium

#### Gross Debt : Equity ratio

Before the issue of debt securities	0.49
After the issue of debt securities	1.94*

\*Estimated at the date of this Disclosure document

(iv) PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECTS:

**N.A.**

(v) SUBSIDIARIES OF THE ISSUER ARE AS FOLLOWS – **N.A.**

(C) A BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION GIVING DETAILS OF IT'S FOLLOWING ACTIVITIES:-

The Company was incorporated on 17<sup>th</sup> March, 1999 under the Companies Act, 1956 with the office of registrar of companies, NCT of Delhi & Haryana. The registered office of the company is situated at Shopping Mall, Phase – I, DLF City, Gurgaon-122002, Haryana and is engaged in the real estate activities, inter alia by development of retail malls and shopping areas. The Company has developed a retail mall at Plot No. 4, VasantKunj, New Delhi on a plot leased out by Delhi Development Authority ('DDA') which has now been converted into free hold property. The Company was incorporated with the object to undertake the business of management, security and maintenance of multi-storied buildings/colonies and operation thereon of common services for the benefit of the owners, occupants and residents thereof on such terms and conditions and for such considerations as may be agreed between the parties and run the same with such additions, alterations, improvements or limitations as may be deemed fit and to take over possession and control of multi-storied buildings, colonies from their promoters/ builders/owners for the purposes of their maintenance and up-keep and for provisions and operations of the common services, administration of common areas, security, services, transport and other utility like running and maintenance of tube wells, street lighting, scavenging there in and on such terms and conditions as may be agreed between the Company and the promoters/ builders/owners of the said multi-storied buildings.

In terms of sub-clause (9) of 'Other Objects' of Clause III of its Memorandum of Association the Company has commenced the business after passing the requisite resolutions pertaining purchase, sell, lease, license, exchange, mortgage, hire or otherwise acquire and / or dispose of lands and properties of any description or tenure or any interest there-in and to erect and construct houses, buildings, flats, apartments, offices, cinemas, hotels, motels, shops or works of every description on any land of the Company, or upon any other land or property and to pull down, rebuilt enlarge, alter and improve existing houses, buildings, shops and works thereon and to convert and appropriate such land for roads, streets, gardens and other conveniences and generally to carry on business in real estate and properties of all kinds and to deal with and improve the property of the company and to own, let and manage such properties.

**i. DETAILS OF SHARE CAPITAL AS ON LAST QUARTER END (31.03.2014):-**

<b>Share Capital</b>	<b>Rs.</b>
Authorized Share Capital	5,00,00,000
Issued, Subscribed and Paid-up Share Capital	5,00,00,000

**ii. CHANGES IN ITS CAPITAL STRUCTURE AS ON LAST QUARTER END (31.03.2014), FOR THE LAST FIVE YEARS:-**

<b>Date of Change(AGM/EGM)</b>	<b>Rs.</b>	<b>Particulars</b>
<b>18.01.2011 (EGM) 23.03.2011 (Board Meeting date for allotment)</b>	4,95,00,000	Pursuant to the Investment Agreement dated 21st October, 2009 entered into between DLF Cyber City Developers Limited,

		DLF Limited (as Confirming Party) the Board of Directors on 23.03.2011 allotted 49,50,000 Equity Shares of Rs. 10/- each at a premium of Rs. 90/- per share fully paid up for cash to DLF Cyber City Developers Limited aggregating to Rs. 49,50,00,000.
<b>24.03.2011 (Board Meeting Date)</b>	2,72,25,000	Transfer of 27,22,500 Equity Shares of Rs. 10/- Each from DLF Cyber City Developers Limited to Richmond Park Property Management Services Limited
<b>27.01.2012 (Board Meeting Date)</b>	10	Transfer of 1 Equity Share of Rs. 10/- from Mr. K.K.Vohra to Mr. Navinkedia (Nominee of DLF Cyber City Developers Limited)
<b>27.01.2012 (Board Meeting Date)</b>	10	Transfer of 1 Equity Share of Rs. 10/- from Mr. S.K.Sharma to Mr. NileshRamjiyani (Nominee of DLF Cyber City Developers Limited)

**iii. EQUITY SHARE CAPITAL HISTORY OF THE COMPANY AS ON LAST QUARTER END (31.03.2014), FOR THE LAST FIVE YEARS:-**

Date of Allotment	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (Cash, other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs)	
23.03.2011	49,50,000	10	100	Cash	Preferential Allotment	49,50,000	4,95,00,000	44,55,00,000	Preferential Allotment

**iv. DETAILS OF ANY ACQUISITION OR AMALGAMATION IN THE LAST 1 YEAR:**

**N.A.**

**v. DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE LAST 1 YEAR:-**

Type of Event	Date of Announcement	Date of Completion	Details
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	NIL		
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(D) DETAILS OF THE SHAREHOLDING OF THE COMPANY AS ON THE LATEST QUARTER END (31.03.2014):

**i. SHAREHOLDING PATTERN OF THE COMPANY AS ON LAST QUARTER END (31.03.2014)**

Sr No	Name of the Shareholders	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	DLF Cyber City Developers Limited alongwith its 2 nominees	22,27,502	22,27,502	44.92
2	Galleria Property Management Services Pvt. Ltd.	3250	3250	0.06
3	Richmond Park Property Management Services Ltd.	27,25,750	27,25,750	54.97
4	Kirtimaan Builders Ltd.	1498	1498	0.03
5	Ujagar Estates Ltd.	1000	1000	0.02

Notes: - Shares pledged or encumbered by the promoters (if any)—**NONE**

**(ii). LIST OF TOP 10 HOLDERS OF EQUITY SHARES OF THE COMPANY AS ON THE LATEST QUARTER END (31.03.2014):-**

Sr No	Name of the shareholders	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
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1	DLF Cyber City Developers Limited alongwith its 2 nominees	22,27,502	22,27,502	44.92
2	Galleria Property Management Services Pvt. Ltd.	3250	3250	0.06
3	Richmond Park Property Management Services Ltd.	27,25,750	27,25,750	54.97
4	Kirtimaan Builders Ltd.	1498	1498	0.03
5	Ujagar Estates Ltd.	1000	1000	0.02

**(E) FOLLOWING DETAILS REGARDING THE DIRECTORS OF THE COMPANY:-**

**(i) DETAILS OF THE CURRENT DIRECTORS OF THE COMPANY:**

<b>Name, Designation and DIN</b>	<b>Age</b>	<b>Address</b>	<b>Director of the Company since</b>	<b>Details of other directorship</b>
Mr. Anupam Sharma (Director & Manager) DIN-05234238	33	384, DDA FLATS KHIRKI, MALVIYA NAGAR NEW DELHI, 110017.	26/03/2012	NA
Ms. DinazMadhukar (Director) DIN-03453167	49	FLAT NO. 1102, TOWER NO.5, BELMONTE APARTMENTS, DLF GOLF COURSE ROAD, GURGAON, HARYANA- 122002	17/03/2011	DLF Promenade Limited DLF Emporio Restaurants Limited Riveria Commercial Developers Limited
Mr. Vivek Jhunjunwala (Director) DIN-02921778	42	230, Sainik Farms, PragatiMarg, W 8 Lane, Western Avenue, New Delhi-110061	25/04/2014	Shrine India Advisors Pvt. Ltd. Vkarma Capital Investment Management Company Pvt. Ltd. DLF Hotel Holdings Ltd. Vkarma Capital Trustee Company Pvt. Ltd. DLF Recreational Foundation Ltd. DLF Finvest Ltd. Saket Holidays Resorts Pvt. Ltd. DLF Realtors Pvt. Ltd.
Mr. R.P. Punjani (Director) DIN-00050645	46	158, Avtar Enclave, PachimVihar, New Delhi - 110063	25/04/2014	NIL

Name of current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any:

**NONE**

(ii) DETAILS OF CHANGE IN DIRECTORS SINCE LAST THREE YEARS:-

<b>Name, Designation and DIN</b>	<b>Date of Appointment / Resignation</b>	<b>Director of the Company since ( in case of resignation)</b>	<b>Remarks</b>
Mr. Adesh Gupta (Director) DIN - 00004895	01.04.2011	27.12.2000	Resignation
Mr. Surendra Kumar Sharma (Director) DIN-00004990	01.04.2011	30.09.2008	Resignation
Mr. Davinder Dogra (Director) DIN- 03333748	25.04.2014	17.03.2011	Resignation
Mr. Ashish Sharma (Director) DIN- 03472563	26.03.2012	17.03.2011	Resignation
Ms. Dinaz Madhukar (Director) DIN-03453167	17.03.2011		Appointment
Ms. Dinaz Madhukar (Manager) DIN-03453167	25.04.2014	17.03.2011	Resignation
Mr. Anupam Sharma (Director) DIN-05234238	26.03.2012		Appointment
Mr. Anupam Sharma (Manager) DIN-05234238	25.04.2014		Appointment
Mr. Vivek Jhunjhunwala (Director) DIN-02921778	25.04.2014		Appointment
Mr. R.P. Punjani (Director) DIN-00050645	25.04.2014		Appointment

**(F) FOLLOWING DETAILS REGARDING THE AUDITORS OF THE COMPANY:-**

**i. DETAILS OF THE AUDITOR OF THE COMPANY:-**

Name	Address	Auditors Since
Walker,Chandiok& Co,	L-41, Connaught Circus, New Delhi - 110 001	2008

**ii. DETAILS OF CHANGE IN AUDITOR SINCE LAST THREE YEARS:-**

Name	Address	Date of Appointment / Resignation	Auditor of the Company since ( in case of resignation)	Remarks
NA				

**(G) DETAILS OF BORROWINGS OF THE COMPANY AS ON THE LATEST QUARTER END 31.12.2013:-**

**(i) DETAILS OF SECURED LOAN FACILITIES AS ON 31.12.2013:-**

Lenders Name	Type of Facility	Amt. Sanctioned (Rs. In Cr.)	Principal Amt. Outstanding (Rs. In Cr.)	Repayment Date / Schedule	Security
NIL					

**(ii) DETAILS OF UNSECURED LOAN FACILITIES AS ON 31.12.2013:-**

Lenders Name	Type of Facility	Amt. Sanctioned (Rs. In Cr.)	Principal Amt. Outstanding (Rs. In Cr.)	Repayment Date / Schedule
DLF Limited	Inter-corporate Loan	75.588	58.45	On Demand
DLF Cyber City Developers Limited	Inter-corporate Loan	75.00	66.10	On Demand

**(iii) DETAILS OF NCDS :-**



DEBENTURE Series/Type	Tenor/period of Maturity (in months)	Coupon (In % p.a.)	Amount (Rs. in Crore)	Date of Allotment	Redemption Date/Schedule	Credit Rating	Secured/ Unsecured	Security
<b>NIL</b>								

**(iv) LIST OF TOP 10 DEBENTURE HOLDERS (AS ON 31.12.2013)**

Sl. No.	Name of Debenture Holders	Amount in Rupees
<b>NIL</b>		

**(v) THE AMOUNT OF CORPORATE GUARANTEE ISSUED BY THE ISSUER ALONG WITH NAME OF THE COUNTERPARTY (LIKE NAME OF THE SUBSIDIARY, JV ENTITY, GROUP COMPANY, ETC) ON BEHALF OF WHOM IT HAS BEEN ISSUED.-**

Corporate Guarantee provided on behalf of Holding/Group companies will be discharged prior to the Deemed Date of Allotment.

**(vi) DETAILS OF COMMERCIAL PAPER:- THE TOTAL FACE VALUE OF COMMERCIAL PAPERS OUTSTANDING AS ON THE LATEST QUARTER END TO BE PROVIDED AND ITS BREAKUP IN FOLLOWING TABLE:-**

NIL

**DETAILS OF COMMERCIAL PAPER:-**

Maturity Date	Amt Outstanding
<b>NIL</b>	

**(vii) Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible / Preference Shares) as on 31.03.2014:-**

Party Name (in case of Facility) / Instrument Name	Type of Facility / Instrument	Amt Sanctioned / Issued	Principal Amt outstanding	Repayment Date / Schedule	Credit Rating	Secured / Unsecured	Security
			NA				

**viii. DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE COMPANY, IN THE PAST 5 YEARS .**

NIL

**IX. DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN/ DEBT SECURITIES ISSUED WHERE TAKEN / ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION;**

NIL

**(H) DETAILS OF PROMOTERS OF THE COMPANY:-**

- i. **DETAILS OF PROMOTER HOLDING IN THE COMPANY AS ON THE LATEST QUARTER END As on 31.03.2014:-**

Sr No	Name of Shareholder	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares	No. of Shares Pledged	% of shares pledged with respect to the shares owned
1	DLF Cyber City Developers Limited alongwith its 2 nominees	22,27,502	22,27,502	44.92	-	-
2	Galleria Property Management Services Pvt. Ltd.	3250	3250	0.06	-	-
3	Richmond Park Property Management Services Ltd.	27,25,750	27,25,750	54.97	-	-
4	Kirtimaan Builders Ltd.	1498	1498	0.03	-	-
5	Ujagar Estates Ltd.	1000	1000	0.02	-	-

**(I). ABRIDGED VERSION OF AUDITED CONSOLIDATED (WHEREVER AVAILABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) FOR AT LEAST LAST THREE YEARS AND AUDITOR QUALIFICATIONS , IF ANY. \***

N.A.

**(J). ABRIDGED VERSION OF LATEST AUDITED / LIMITED REVIEW HALF YEARLY CONSOLIDATED (WHEREVER AVAILABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENT, AND BALANCE SHEET) AND AUDITORS QUALIFICATIONS, IF ANY. \***

N.A.

**(K). ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, TAX LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE DEBT SECURITIES.**

Details as mentioned in Schedule VIII of the Debenture Trust Deed being the list of litigation/legal proceedings pending against the Issuer.

**(L). THE NAMES OF THE DEBENTURE TRUSTEE(S) SHALL BE MENTIONED WITH STATEMENT TO THE EFFECT THAT DEBENTURE TRUSTEE(S) HAS GIVEN HIS CONSENT TO THE ISSUER FOR HIS APPOINTMENT UNDER REGULATION 4 (4) OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AND IN ALL THE SUBSEQUENT PERIODICAL COMMUNICATIONS SENT TO THE HOLDERS OF DEBT SECURITIES.**

Axis Trustee Services Limited has agreed to act as the trustees for and on behalf of the Debenture holder(s). Axis Trustee Services Limited vide their letter dated **April 21, 2014** have given their consent to the Company for their appointment as the trustee under regulation 4 (4) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 dated June 6, 2008, as amended from time to time and in all the subsequent periodical communications sent to the holders of debt securities.

The address and contact details of the Trustees are as under:

**Debenture Trustee**

Axis Trustee Services Limited  
2nd floor, E, Axis House, Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg, Worli, Mumbai-400025  
Tel : 022-24255216  
Fax : 022-24254200  
Email : debenturetrustee@axistrustee.com

The consent letter of the trustee has been provided in Annexure **B**.

The Issuer hereby undertakes that a Trust Deed shall be executed by it in favour of the Trustee prior to the deemed date of allotment. The Trust Deed shall be in compliance with the Companies Act, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further the Trust Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Company in relation to any rights or interests of the holder(s) of the Debentures, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars or guidelines issued by SEBI, (iii) indemnifying the Trustees or the Company for loss or damage caused by their act of negligence or commission or omission.

The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustee or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Trustee may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Debentures. Any payment made by the Issuer to the Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer pro tanto to the Debenture Holder(s). The Trustee shall protect the interest of the Debenture Holder(s) in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer. No Debenture holder shall be entitled to proceed directly against the Issuer unless the Trustee, having become so bound to proceed, fail to do so. In the event of Issuer defaulting in payment of interest on Debentures or redemption thereof, any distribution of dividend by the Issuer shall require approval of the Trustee.

The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Debentures and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, the Deed of Hypothecation, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.

The Trustee shall be vested with the requisite powers for protecting the interest of holder(s) of the Debentures including but not limited to the right to appoint a nominee director on the Board of the Issuer in consultation with institutional holders of such Debentures. The Trustee shall ensure disclosure of all material events on an ongoing basis and shall supervise the implementation of the conditions regarding creation of security for the Debentures and Debenture Redemption Reserve.

**(M). THE DETAILED RATING RATIONALE (S) ADOPTED (NOT OLDER THAN ONE YEAR ON THE DATE OF OPENING OF THE ISSUE)/ CREDIT RATING LETTER ISSUED (NOT OLDER THAN ONE MONTH ON THE DATE OF OPENING OF THE ISSUE) BY THE RATING AGENCIES SHALL BE DISCLOSED.**

**CRISIL have assigned CRISIL AA(SO)/Stable rating to the issue vide letter dated April 23, 2014.**

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc.

The rating rationale has been provided in Annexure - A.

\* Credit rating letter issued shall not be older than one month on the date of opening of the issue

**(N). IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT**

**OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES); THE SAME SHALL BE DISCLOSED IN THE OFFER DOCUMENT.**

**PALIWAL REAL ESTATE LIMITED (“Option Provider”)**, a Public Limited company duly incorporated and registered under the Companies Act, 1956 has granted the Debenture Holders a put option on the Debentures.

Under the Put Option Agreement, at any time on or after a default by the Issuer of the Top-Up Obligation but prior to the Final Redemption Date, the Debenture Trustee shall have the absolute right but not the obligation to require the Option Provider to pay to the Debenture Trustee all the obligations payable by the Issuer under the Transaction Documents by serving a written notice to the Option Provider, in the form attached to the Put Option Agreement, of its intention to exercise the Put Option (the “**Put Notice**”). The Option Provider will be obliged to pay to the Debenture Trustee the obligations as set out in the Put Notice within 1 (one) Business Day of receipt of the Put Notice.

The details pertaining to the put option are recorded in the Put Option Agreement

**(O). COPY OF CONSENT LETTER FROM THE DEBENTURE TRUSTEE “AXIS TRUSTEE SERVICES LIMITED” DATED April 21, 2014 IS PROVIDED IN ANNEXURE - B**

**(P). NAMES OF ALL THE RECOGNISED STOCK EXCHANGES WHERE THE DEBT SECURITIES ARE PROPOSED TO BE LISTED CLEARLY INDICATING THE DESIGNATED STOCK EXCHANGE.**

In terms of sub-section (1) of Section 40 of the Companies Act, 2013, the Issuer shall make an application to BSE along with applicable disclosures within 15 days from the Deemed Date of Allotment of the Debentures to list the Debentures to be issued and allotted under this Disclosure Document. The Issuer shall complete all the formalities and seek listing permission within 15 days from the Deemed Date of Allotment. BSE shall be the designated stock exchange.

In connection with listing of Debentures with BSE, the company hereby undertakes that:

- (a) It shall comply with conditions of listing of Debentures as may be specified in the Listing Agreement with BSE.
- (b) Ratings obtained by the company shall be periodically reviewed by the credit rating agencies and any revision in the rating shall be promptly disclosed by the company to BSE.
- (c) Any change in rating shall be promptly disseminated to the holder(s) of the Debentures in such manner as BSE may determine from time to time.
- (d) The company, the Trustee and BSE shall disseminate all information and reports on Debentures including compliance reports filed by the company and the Trustee regarding the Debentures to the holder(s) of Debentures and the general public by placing them on their websites.
- (e) Trustee shall disclose the information to the holder(s) of the Debentures and the general public by issuing a press release in any of the following events:
  - a. default by the company to pay interest on Debentures or redemption amount;
  - b. revision of rating assigned to the Debentures;
- (f) The information referred to in para (e) above shall also be placed on the websites of the Trustee, company and BSE.

The Issuer shall, till the redemption of Debentures, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.

SEBI/IMD/DEBENTURE/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details so submitted with all Qualified Institutional Buyers (“QIBs”) and other existing Debenture holder(s) within two working days of their specific request.

**(Q) OTHER DETAILS:**

**i. DRR CREATION - RELEVANT REGULATIONS AND APPLICABILITY.**

**Debenture Redemption Reserve**

The Issuer hereby agrees and undertakes that, if required to do so, it would create the Debenture Redemption Reserve (“DRR”) as per the provisions of the Companies Act and the guidelines issued by the SEBI, and if during the currency of these Debentures, any guidelines are formulated (or modified or revised) by any Government Agency having authority under law in respect of creation of DRR, the Issuer shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee. Where applicable, the Issuer shall submit to the Debenture Trustee a certificate duly certified by the auditors of the Issuer certifying that the Issuer has transferred a suitable sum to DRR at the end of each Financial Year in accordance with the provisions of the Companies Act.

**ii. ISSUE/INSTRUMENT SPECIFIC REGULATIONS - RELEVANT DETAILS (COMPANIES ACT, RBI GUIDELINES, ETC).**

1. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and SEBI Circular dated 29.10.2013 having Circular No. CIR/IMD/DF/18/2013).

2. The Companies Act

**iii. APPLICATION PROCESS.**

**PROCEDURE FOR APPLYING FOR DEMAT FACILITY**

1. The applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL/ CDSL prior to making the application.
2. The applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant’s ID appearing in the Application Form under the heading ‘Details for Issue of Debentures in Electronic/ Dematerialized Form’.)
3. Debentures allotted to an applicant will be credited directly to the applicant’s respective Beneficiary Account(s) with the DP.
4. For subscribing the Debentures names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders the names should necessarily be in the same sequence as they appear in the account details in the depository.
5. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrars

to the Issue.

6. If incomplete/incorrect details are given under the heading 'Details for Issue of Debentures in Electronic/ Dematerialized Form' in the application form it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Company.
7. For allotment of Debentures the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the application form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient the Issuer would not be liable for losses, if any.
8. It may be noted that Debentures will be issued in electronic form. The same can be traded only on the Stock Exchanges having electronic connectivity with NSDL/ CDSL. The BSE Ltd, where the Debentures of the Company are proposed to be listed has connectivity with NSDL/ CDSL.
9. Payment of interest or repayment of principal would be made to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Company as on Record Date/ Book Closure Date. In case of those Debenture for which the beneficial owner is not identified by the Depository as on the Record Date/ Book Closure Date, the Company would keep in abeyance the payment of interest or repayment of principal, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or principal would be paid to the beneficiaries, as identified, within a period of 30 (thirty) days.

## HOW TO APPLY

This being a private placement offer, investors who are established/ resident in India and who have been addressed through this communication directly only are eligible to apply.

Applications should be for a minimum of 1 (ONE) Debenture and in multiples of 1 (one) Debenture thereafter. Applicants may remit their application money by way of electronic transfer of funds through RTGS mechanism or through Core Banking Solution (CBS) for credit in the account of:

**Beneficiary Name** : DLF EMPORIO LIMITED - DEBENTURE APPLICATION 2014  
**Beneficiary A/c No** : 914020015522137  
**Bank Name** : Axis Bank  
**Branch** : DLF City Branch, Gurgaon  
**IFSC Code** : UTIB0000131

All Application Forms duly completed (along with all necessary documents as detailed in this Disclosure Document) must be delivered before the closing of the issue to the Arranger to the Issue. While forwarding the application form, applicants must ensure that the relevant UTR number/ or any other evidence of having remitted the application money is obtained. Detailed instructions for filling up the application form are provided elsewhere in this Disclosure Document.

Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications not completed in the prescribed manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

Applications may be made in single or joint names (not exceeding three). In the case of joint applications, all payments will be made out in favour of the first applicant. All communications will be addressed to the first named applicant whose name appears in the Application Form at the address mentioned therein.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

No separate receipts shall be issued for the application money. However, Arranger to the Issue at their Designated Branch (es) receiving the duly completed Application Forms will acknowledge the receipt of the applications by stamping and returning the acknowledgment slip to the applicant. Applications shall be deemed to have been received by the Issuer Company only when submitted to Arranger to the Issue at their designated branches or on receipt by the Registrar as detailed above and not otherwise.

For further instructions, please read Application Form carefully.

## WHO CAN APPLY

The following categories are eligible to apply for this private placement of Debentures:

- Mutual Funds,
- Public Financial Institutions as defined in section 4A 2(72) of the Companies Act, 2013,
- Scheduled Commercial Banks,
- Insurance Companies,
- Foreign Institutional Investors (subject to compliance with the SEBI/ RBI norms),
- Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds,
- Co-operative Banks, Regional Rural Banks authorized to invest in Debentures, Companies and Bodies Corporate authorized to invest in Debentures ,
- Societies authorized to invest in Debentures,
- Trusts authorized to invest in Debentures, Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in Debentures
- Any other investor authorized to invest in these Debentures as per extent rules and regulations.



However, out of the aforesaid class of investors eligible to invest, this Disclosure Document is intended solely for the use of the person to whom it has been sent by the Company for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Disclosure Document from the Company).

The applications must be accompanied by certified true copies of (1) Memorandum and Articles of Association/ Constitution/ Bye-laws (2) Resolution authorizing investment and containing operating instructions (3) Specimen signatures of authorized signatories and (4) Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money,, wherever applicable

#### **APPLICATION UNDER POWER OF ATTORNEY OR BY LIMITED COMPANIES**

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organizations or Trusts etc, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the application form, quoting the serial number of the application form and the Bank's branch where the application has been submitted, at the office of the Registrars to the Issue after submission of the application form to the Bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Company or to its Registrars or to such other person(s) at such other address(es) as may be specified by the Company from time to time through a suitable communication.

#### **APPLICATION BY MUTUAL FUNDS**

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

#### **RIGHT TO ACCEPT OR REJECT APPLICATIONS**

The Company reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realisation of the

cheque(s)/ demand drafts(s) till one day prior to the date of refund. The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- Number of Debentures applied for is less than the minimum application size;
- Applications exceeding the issue size;
- Bank account details not given;
- Details for issue of Debentures in electronic/ dematerialized form not given; PAN/GIR and IT Circle/Ward/District not given;
- In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc relevant documents not submitted;

In the event, if any Debenture(s) applied for is/ are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

In the event, if any Debenture(s) applied for is/ are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

### **FICTITIOUS APPLICATIONS**

In terms of Section 36 of the Companies Act, 2013, any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the DEBENTURES, or otherwise included a body corporate to allot, register any transfer of DEBENTURES therein to them or any other person in a fictitious name, shall be punishable with imprisonment for a term which shall not be less than 6 months but which may extend to 10 years and also be liable to fine which shall not be less than the amount involved in the fraud but which may extend to three times the amount involved in the fraud.

### **SUBMISSION OF DOCUMENTS**

Investors should submit the following documents, wherever applicable:

- Memorandum and Articles of Association/ Documents governing Constitutional status
- Government notification/ Certificate of incorporation
- SEBI Registration Certificate, if applicable
- Resolution authorizing investment along with operating instructions
- Power of Attorney (original & certified true copy)
- Form 15AA granting exemption from TDS on interest, if any
- Form 15H for claiming exemption from TDS on interest on application money, if any.
- Order u/s197 of Income Tax Act, 1961
- Order u/s10 of Income Tax Act, 1961
- Specimen signatures of authorised persons.
- Pan card copy.

### **FORCE MAJEURE**

The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

## ADDITIONAL COVENANTS

### 1. Default in payment of Interest:

The Issuer will pay 2% additional interest on the delayed amount in respect of interest payment over the period of such delay.

In case the default in payment of interest continues for 2(two) consecutive interest payment dates, then the Trustee would call upon the company to prematurely redeem the Debentures by payment of the full over-dues and outstanding amounts including the penal interest, failing which the Trustee would initiate the steps for invoking the mortgage and settling the dues out of the sale proceeds from the mortgaged properties.

### 2. Events of Defaults and Remedies:

#### Events of Default

An Event of Default shall mean the occurrence of any of the events specified below and the same not being cured within a period of 60 (sixty) days from the occurrence of such event or such other period specified below, except for any payment default under Clause 2.1 (i) (Payment Defaults), and Clause 2.1 (x) (Failure to List) which shall have no cure period.

#### (i) Payment Defaults

Default of the Issuer in payment or repayment of any Redemption Amount, Interest or any payment due to the Debenture Holders or the Trustee as per the Transaction Documents and in the case of Interest, such default continues for 2(two) consecutive interest payment dates. Breach of Any Other Terms

Default has occurred in the performance of any obligation, covenants, conditions or agreement on the part of the Issuer under the Debenture Trust Deed, any other Transaction Document or any other agreement by the Issuer or breach of representations and warranties provided for under the Debenture Trust Deed or any other Transaction Document. However, it is clarified that failure of the Issuer to comply with the Top-up Obligation shall not be considered as an Event of Default for the purposes of this clause.

#### (ii) Supply of Misleading Information

Any information given by the Issuer in connection with the issuance of the , the Information Memorandum, in the reports and other information furnished by the Issuer in accordance with the reporting system and the warranties given/deemed to have been given by the Issuer to the Debenture Holders/ Trustee is misleading or incorrect in any material respect.

(iii) Inability to Pay Debts

- (a) Any Financial Indebtedness of the Issuer is not paid when due or within any originally applicable grace period resulting in an event of default under the relevant financing document or any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its stated maturity as a result of an event of default (howsoever described) or any creditor (in respect of any Financial Indebtedness) of the Issuer becomes entitled to declare any Financial Indebtedness of the Issuer due and payable prior to its stated maturity as a result of an event of default (howsoever described).
- (b) The Issuer is unable or has admitted in writing its inability to pay its debts as they mature, including within the meaning of the Companies Act and Section 434 of the Companies Act, 1956 or the corresponding provision of the Companies Act, 2013.

(iv) Proceedings against Issuer

The Issuer or the Pledgors has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or either of the Issuer or the Pledgors has voluntarily or involuntarily dissolved or has taken or suffered to be taken any action for its reorganization, liquidation or dissolution or is subject to any material litigation in the opinion of the Trustee. It is hereby clarified that for the purpose of this sub-clause, any material litigation with respect to the Pledgors shall be restricted only to the Pledged Shares held by such Pledgor.

(v) Change in Control

There is a direct or indirect change in Control of the Issuer.

(vi) Unlawfulness

It is or becomes unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents.

(vii) Cessation of Business

The Issuer suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

(viii) Material Adverse Effect

If there occurs a Material Adverse Effect in relation to the Issuer, the Mortgaged Property or the Charged Accounts.

(ix) Failure to List

Failure to list the Debentures within 15 (fifteen) days of the Deemed Date of Allotment (unless the Debentures are bought back or redeemed by the Issuer within 15 (fifteen) days of the Deemed Date of Allotment, or if the listing or trading of such Debentures ceases at any point of time prior to the any Redemption Date due to an act of the Issuer or failure by the Issuer to

take all necessary action to ensure listing.

(x) Termination of Transaction Documents

Any of the Transaction Documents ceases to be in full force/ effect for some reason or is terminated prior to the Redemption Date.

(xi) Misleading representations or warranties

Any representation or warranty provided by the Issuer under the Transaction Documents being untrue or misleading in any material respect;

(xii) Reorganization of the Issuer

Any corporate action, legal proceedings or other procedure or step is taken in relation to an involuntary reorganization or involuntary arrangement of the Issuer.

(xiii) Failure to undertake Part Redemption

The Issuer fails to undertake Part Redemption as defined in the maintenance of minimum security cover clause of the Debenture Trust Deed.

(xiv) Casualty or Condemnation of Mortgaged Property

(a) The casualty or condemnation involved an actual and constructive loss of more than 30% of the fair market value of the Mortgaged Property and is rendered not tenable more than 30% of the rentable area of the Mortgaged Property.

(b) The Mortgaged Property cannot be restored at least 6 (six) months prior to the Final Redemption Date.

(c) If after such restoration, there is reduction of over 35% in the market value or the rental income from the leases of the Mortgaged Property.

(d) If leases covering in aggregate at least 65% of the rentable square footage of the Mortgage Property does not remain in full force and effect during and after the completion of restoration.

#### Notice on the Happening of an Event of Default

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Issuer shall, forthwith give notice thereof to the Trustee in writing specifying the nature of such Event of Default, or of such event.

The Trustee, upon becoming aware of the occurrence of an Event of Default, shall, forthwith give notice thereof to the Debenture Holders.

#### Consequences of Event of Default

(xv) Upon occurrence of an Event of Default, the Trustee, acting on Majority Debenture Holders'

Consent, shall be entitled, to declare all Obligations (including but not limited to the Redemption Amount payable on the Debentures) outstanding on the to be due and payable and the Issuer shall make payment of all Obligations (including but not limited to the Redemption Amount payable on the Debentures) to the Debenture Holders as of the Record Date, no later than the Business Day falling 15 (Fifteen) Business Days after the date of issuance of such notice by the Trustee. The Issuer will reimburse the Debenture Holders for any costs (including but not limited to break costs relating to interest, currency exchange and/or hedge agreements) the Debenture Holders incurred pursuant to the acceleration following an Event of Default.

- (ii) For the avoidance of doubt, upon the occurrence of an Event of Default, the Trustee shall be entitled to exercise all its rights and remedies available to it under Applicable Law, to enforce the rights contemplated under the Debenture Trust Deed and the Transaction Documents within the relevant grace period mentioned above or such extended time as may be granted by the Debenture Trustee in writing without any notice and without assigning any reason and at the risk and expense of the Issuer and if necessary as attorney for and in name of the Issuer and take all such other action, expressly or impliedly permitted under the Debenture Trust Deed or under Applicable Law.
- (iii) The Trustee shall be entitled to appoint a nominee director on the board of the Issuer upon a default in the redemption of the Debentures by payment of the Redemption Amount, in accordance with the terms of the Debenture Trust Deed. The nominee director so appointed shall be a non-executive director and shall not be responsible for the day-to-day management of the Issuer and shall not be liable for any failure by the Issuer to comply with Applicable Law. The nominee director shall not be required to hold any qualification shares and shall not be required to retire by rotation.

#### Expenses of Preservation of Assets of Issuer and of Collection

All expenses incurred by the Debenture Holders/Trustee upon occurrence of an Event of Default that has occurred in connection with:

- (xvi) preservation of the Issuer's assets (whether then or thereafter existing); and
- (xvii) collection of amounts due under the Debenture Trust Deed

shall be payable by the Issuer.

#### Right to Disclose/Publish the Names of the Issuer and its Directors as Defaulters

In the event of the Issuer committing default in the repayment of installment of the Debentures or payment of Interest on the respective due dates or the Issuer committing a breach of its obligations under the Transaction Documents, the Debenture Holders /Trustee shall have an unqualified right to disclose the name of the Issuer and its directors to RBI/ or any other statutory / regulatory authority in this behalf. The Debenture Holders/Trustee and/ or RBI / or any other statutory / regulatory authority shall have the right to publish the name of the Issuer and its directors as defaulters in such manner and through such medium as the Debenture Holders / Trustee in their absolute discretion may think fit.

*For further details on Events of Default and Remedies, please refer to Clause 6 of Debenture Trust Deed.*

## INVESTOR GRIEVANCE AND REDRESSAL SYSTEMS

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavors to resolve the investor's grievances within 10 Business days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Debentures applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contracted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ Debenture certificate(s) in the demataccount, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Disclosure Document.

Investor Relations Officer	Mr. Vivek Jhunjhunwala
Designation/ Dept	Compliance Officer
Address	10 <sup>th</sup> Floor, DLF Centre, SansadMarg, New Delhi - 110 001
Ph NO	011-42102180
Fax	011-41501771
Email	jhunjhunwala-vivek@dlf.in

## ISSUE SIZE

The Issuer proposes to issue 5250 Debentures of face value of Rs. 10, 00,000/- each aggregating to Rs. 525,00,00,000 (Five Hundred Twenty Five Crore)

## DETAILS OF UTILIZATION OF THE ISSUE PROCEEDS

General Corporate Purpose including repayment of existing debt but should not be utilized for investment in capital market.

## ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE OR SUBSEQUENT TO THE ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST/ CONTINUE TO INVEST IN THE DEBT SECURITIES

The Issuer hereby declares that there has been no material event, development or change at the time of issue which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities of the Issuer.

## **PARTICULARS OF THE DEBT SECURITIES ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION**

The Issuer confirms that other than and to the extent mentioned elsewhere in this Disclosure Document, it has not issued any shares or debt securities or agreed to issue any shares or debt securities for consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

## **AN UNDERTAKING THAT THE ISSUER SHALL USE A COMMON FORM OF TRANSFER**

The Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

The Company undertakes that it shall use a common form/ procedure for transfer of Debentures issued under terms of this Disclosure Document.

## **TERMS AND CONDITIONS OF THE ISSUE**

This is a confidential Disclosure Document setting out the terms and conditions pertaining to issue of Secured, Rated, Listed, Redeemable, Rupee Denominated Non-Convertible Debentures of the face value of Rs.10,00,000 (Rupees Ten Lacs Only) each for cash at par to be issued by the Issuer. Your participation is subject to the completion and submission of Application Form along with cheque(s) / draft(s) and cheque(s) / draft(s) and acceptance of the offer by the Company.

## **PRESENT ISSUE**

DLF Emporio Limited (hereinafter referred to as the "Company"/"Issuer") proposes to raise Secured, Rated, Listed, Redeemable, Rupee Denominated Non-Convertible Debentures in the Nature of Debenture (hereinafter referred to as 'the Debentures') of Rs. 525,00,00,000 (Rupees Five Hundred Twenty Five Crore) with face value of Rs.10,00,000 (Rupees Ten Lacs Only) each for cash at par on private placement basis.

## **MARKET LOT**

The market lot will be one Debenture ("Market Lot"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

The market lot will be one Debenture of the face value of Rs.10,00,000 (Rupees Ten Lacs Only).

## **LISTING**



The Issuer proposes to list these Debentures on the WDM Segment of BSE.

The Issuer proposes to list the Debentures on wholesale debt segment of the Stock Exchange and will accordingly make an application to the Stock Exchange. The Issuer further covenants that it shall ensure listing of all Debentures within 15 (fifteen) days of the Deemed Date of Allotment failing which the Issuer shall be required to buy back the Debentures, by payment of the Redemption Amount on all the Debentures.

All expenses, costs charges incurred for the purpose of listing of the Debentures shall be borne and paid by the Issuer. The Issuer undertakes that it shall comply with all the listing requirements including payment of listing fee to ensure continued listing of the Debentures during the term of the Debentures.

#### **AUTHORITY FOR THE ISSUE**

This private placement of Debentures is being made pursuant to the resolution of the Board of Directors of DLF EMPORIO LTD. dated April 25, 2014 which has given authority to borrow for the proposed issue. The private placement of Debentures is within the overall borrowing limits of the Company of Rs10000 crore as decided in the Extra Ordinary General Meeting dated 29.04.2014..

#### **NATURE OF INSTRUMENT**

Secured, Rated, Listed, Redeemable, Rupee Denominated Non-Convertible Debentures in the Nature of Debentures.

#### **PAYMENT TERMS**

The full face value of the Debentures applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the RTGS / cheque(s)/ demand draft(s) for the full face value of the Debentures applied for.

#### **UNDERWRITING**

The present Issue of Debentures on private placement basis has not been underwritten.

#### **FACE VALUE, ISSUE PRICE, EFFECTIVE YIELD FOR INVESTOR**

Each Debenture has a face value of Rs. 10,00,000/- (Rupees Ten Lacs Only) and is issued at par i.e. for Rs. 10,00,000/- (Rupees Ten Lacs Only).

The Debentures shall be redeemable at par i.e. for Rs. 10,00,000/- (Rupees Ten Lacs Only) per Debenture. Since the interest payment frequency is monthly and coupon is 10.90 % p.a., the effective yield for the investors shall be the 11.46% p.a. on annualized basis.

## **MINIMUM APPLICATION**

The application should be for a minimum of 1 (ONE) Debentures and in multiples of 1 (one) Debenture thereafter.

## **MINIMUM SUBSCRIPTION**

As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

## **INTEREST ON APPLICATION MONEY**

Interest at 10.90% p.a. (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to all the applicants on the application money for the Debentures.

Such interest on application money shall be paid from the date of realisation of application money upto one day prior to the Deemed Date of Allotment. The interest on application money will be computed on an Actual day basis. Such interest would be paid on all the valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the Refund Orders. Where an applicant is allotted lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money.

The interest cheque(s)/ demand draft(s) for interest on application money (along with Refund Orders. in case of refund of application money, if any) shall be dispatched by the company within 15 (fifteen) days from the Deemed Date of Allotment and the relative interest warrant(s) along with the Refund Order(s) as the case may be will be dispatched by registered post to the sole/ first applicant at the sole risk of the applicant.

## **INTEREST ON THE DEBENTURES**

The Debentures shall carry interest at 10.90% p.a. payable monthly(subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) on the outstanding principal amount of Debentures. The interest shall be serviced monthly throughout the tenure of the Debentures until the Debentures are fully redeemed or paid off. Final interest payment shall be made on the date of maturity/redemption. Interest on Debentures will cease from the date of full redemption in all events.

If any Interest Payment Date falls on a day which is not a Business Day, then payment of the Interest due

on that Interest Payment Date will be made on the immediately succeeding Business Day.

If any Redemption Date falls on a day which is not a Business Day, then payment of Redemption Amount will be made on the immediately preceding Business Day.

Note: In the event, the Debentures have not been redeemed on the Early Redemption Date, a Scheduled Redemption Date or a Part Redemption Date, the Interest payment will continue in the samemanner as mentioned above till final redemption.

**Cashflow vide SEBI Circular dated 29.10.2013**

**Illustration of Debenture Cash Flows**

<b>Company</b>		DLF Emporio Limited	
<b>Face Value (per security)</b>		10,00,000.00	
<b>Date of Allotment</b>		22 <sup>nd</sup> May 2014	
<b>Redemption</b>		21 <sup>st</sup> November 2021	
<b>Coupon Rate</b>		10.90% p.a.	
<b>Frequency of the Interest Payment with specified dates</b>		First Interest on 20 <sup>th</sup> June2014 and subsequently on 20 <sup>th</sup> of every month till maturity	
<b>Day Count Convention</b>		Actual / Actual	
<b>Cash Flows</b>	<b>Date</b>	<b>No. of days in Coupon Period</b>	<b>Amount (in Rupees)</b>
1st Coupon	Friday, 20 June, 2014	29	8,660
2nd Coupon	Monday, 21 July, 2014	31	9,258
3rd Coupon	Wednesday, 20 August, 2014	30	8,959
4th Coupon	Saturday, 20 September, 2014	31	9,258
5th Coupon	Monday, 20 October, 2014	30	8,959
6th Coupon	Thursday, 20 November, 2014	31	9,258
7th Coupon	Saturday, 20 December, 2014	30	8,959
8th Coupon	Tuesday, 20 January, 2015	31	9,258

9th Coupon	Friday, 20 February, 2015	31	9,258
10th Coupon	Friday, 20 March, 2015	28	8,362
11th Coupon	Monday, 20 April, 2015	31	9,258
12th Coupon	Wednesday, 20 May, 2015	30	8,959
13th Coupon	Saturday, 20 June, 2015	31	9,232
14th Coupon	Monday, 20 July, 2015	30	8,934
15th Coupon	Thursday, 20 August, 2015	31	9,232
16th Coupon	Monday, 21 September, 2015	32	9,530
17th Coupon	Tuesday, 20 October, 2015	29	8,637
18th Coupon	Friday, 20 November, 2015	31	9,232
19th Coupon	Monday, 21 December, 2015	31	9,232
20th Coupon	Wednesday, 20 January, 2016	30	8,934
21st Coupon	Saturday, 20 February, 2016	31	9,232
22nd Coupon	Monday, 21 March, 2016	30	8,934
23rd Coupon	Wednesday, 20 April, 2016	30	8,934
24th Coupon	Friday, 20 May, 2016	30	8,934

25th Coupon	Monday, 20 June, 2016	31	9,258
26th Coupon	Wednesday, 20 July, 2016	30	8,959
27th Coupon	Saturday, 20 August, 2016	31	9,258
28th Coupon	Tuesday, 20 September, 2016	31	9,258
29th Coupon	Thursday, 20 October, 2016	30	8,959
30th Coupon	Monday, 21 November, 2016	32	9,556
31st Coupon	Tuesday, 20 December, 2016	29	8,660
32nd Coupon	Friday, 20 January, 2017	31	9,258
33rd Coupon	Monday, 20 February, 2017	31	9,258
34th Coupon	Monday, 20 March, 2017	28	8,362
35th Coupon	Thursday, 20 April, 2017	31	9,258
36th Coupon	Saturday, 20 May, 2017	30	8,959
37th Coupon	Tuesday, 20 June, 2017	31	9,258
38th Coupon	Thursday, 20 July, 2017	30	8,959
39th Coupon	Monday, 21 August, 2017	32	9,556
40th Coupon	Wednesday, 20 September, 2017	30	8,959

41st Coupon	Friday, 20 October, 2017	30	8,959
42nd Coupon	Monday, 20 November, 2017	31	9,258
43rd Coupon	Wednesday, 20 December, 2017	30	8,959
44th Coupon	Saturday, 20 January, 2018	31	9,258
45th Coupon	Tuesday, 20 February, 2018	31	9,258
46th Coupon	Tuesday, 20 March, 2018	28	8,362
47th Coupon	Friday, 20 April, 2018	31	9,258
48th Coupon	Monday, 21 May, 2018	31	9,258
49th Coupon	Wednesday, 20 June, 2018	30	8,959
50th Coupon	Friday, 20 July, 2018	30	8,959
51st Coupon	Monday, 20 August, 2018	31	9,258
52nd Coupon	Thursday, 20 September, 2018	31	9,258
53rd Coupon	Saturday, 20 October, 2018	30	8,959
54th Coupon	Tuesday, 20 November, 2018	31	9,258
55th Coupon	Thursday, 20 December, 2018	30	8,959
56th Coupon	Monday, 21 January, 2019	32	9,556

57th Coupon	Wednesday, 20 February, 2019	30	8,959
58th Coupon	Wednesday, 20 March, 2019	28	8,362
59th Coupon	Saturday, 20 April, 2019	31	9,258
60th Coupon	Monday, 20 May, 2019	30	8,959
61st Coupon	Thursday, 20 June, 2019	31	9,232
62nd Coupon	Saturday, 20 July, 2019	30	8,934
63rd Coupon	Tuesday, 20 August, 2019	31	9,232
64th Coupon	Friday, 20 September, 2019	31	9,232
65th Coupon	Monday, 21 October, 2019	31	9,232
66th Coupon	Wednesday, 20 November, 2019	30	8,934
<b>Principal</b>	Wednesday, 20 November, 2019		1,000,000
<b>Total</b>			

Note: In the event, the Debentures have not been redeemed on the Early Redemption Date, a Scheduled Redemption Date or a Part Redemption Date, the Interest payment will continue in the same manner as mentioned above till final redemption.

#### **PAYMENT OF INTEREST**

Payment of interest shall be made by way of cheque(s)/ interest warrant(s)/ credit through RTGS mechanism. When interest payment is made by way cheque(s), the same shall be dispatched by the Company at least 7 (seven) days prior to the due date and shall be dispatched by registered post to the sole/ first applicant, at the sole risk of the Applicant.

## COMPUTATION OF INTEREST

Interest for each of the interest periods shall be computed as per Actual/ Actual day count convention on the face value amount of Debentures outstanding at the Interest Rate rounded off to the nearest Rupee. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis, on the face value amount of Debentures outstanding, except when such interest payment date falls on February 29 which is a Sunday, interest shall be computed on the succeeding Business Day and on 367 days a year basis.

## ESCROW ACCOUNTS TO BE OPENED FOR SERVICING OF DEBENTURES

### *Escrow Account*

- (a) The Issuer shall open, maintain and operate the Escrow Account as defined earlier in this document.
- (b) The Issuer shall ensure that during the subsistence of the Transaction Documents all existing and future lessees or licensees (as the case may be) of each leased and/or licensed units of the Mortgaged Property, shall credit all the Receivables to the Escrow Account of the Issuer, details of which shall be provided by the Issuer to each of such lessees or licensees (as the case may be).
- (c) The Issuer shall deposit or procure the deposit of all Receivables in to the Escrow Account. The Issuer shall promptly transfer to the Escrow Account any Receivables under any of the Lease Agreements and deposited or held in any other account of the Issuer.
- (d) The Issuer agrees and acknowledges that upon the occurrence of an Event of Default, any surplus amounts held in the Escrow Account after meeting the payments in accordance with the priority of payments set out in the Escrow Account Agreement shall be retained in the Escrow Account.

*For further details, please refer to Clause 5 of the Account Agreement.*

## DEBT SERVICE RESERVE ACCOUNT REQUIREMENT

### *Debt Service Reserve Account Requirement*

- a) The Issuer shall maintain a DSR Account as defined earlier in accordance with the terms of the Account Agreement. The Issuer shall within 1(one) Business Day from the Deemed Date of Allotment, deposit upfront an amount equivalent to the interest payments due on the first three interest payment dates ("**Debt Service Reserve Amounts**"). The Issuer shall at all times until the Obligations of the Issuer have been fully discharged to the satisfaction of the Debenture Trustee (acting on Majority Debenture Holders' Consent) ensure that at all times the amounts lying to the credit of the DSRA Account is equivalent to 3 (three) months Interest Payments.
- b) The Debenture Trustee shall determine Issuer's compliance with this Clause within 2(two) Business days of the end of each calendar month. The Issuer shall cooperate with the Debenture Trustee in obtaining and providing any information or independent confirmation which the Debenture Trustee may require for determining the Issuer's



compliance with this Clause.

If the Debenture Trustee makes a determination that the DSR Account has not been maintained as per the requirements of this Clause, it shall notify the Issuer in writing within 2 (two) Business Days of the end of each calendar month. Within 2 (two) days of such notice being issued by the Debenture Trustee, the Issuer shall ensure that adequate funds are deposited into the DSR Account such that the Debt Service Reserve Amounts are maintained in the DSR Account as per this Clause and the Account Agreement.

*For further details, please refer to Clause 6 of the Account Agreement.*

## RECORD DATE

The "Record Date" for the Debentures shall be 15 (Fifteen) days prior to the interest payment and/ or principal repayment date. Interest and/or principal repayment shall be made to the person whose name appears as sole/ first in the register of debenture holders/ beneficiaries position of the Depositories on record date.

## PUT & CALL OPTION

PUT Option:

**PALIWAL REAL ESTATE LIMITED ("Option Provider")**, a Public Limited company duly incorporated and registered under the Companies Act, 1956, has granted the Debenture Holders a put option on the Debentures.

Under the Put Option Agreement, at any time on or after a default by the Issuer of the Top-Up Obligation but prior to the Final Redemption Date, the Debenture Trustee shall have the absolute right but not the obligation to require the Option Provider to pay to the Debenture Trustee all the obligations payable by the Issuer under the Transaction Documents by serving a written notice to the Option Provider, in the form attached to the Put Option Agreement, of its intention to exercise the Put Option (the "**Put Notice**"). The Option Provider will be obliged to pay to the Debenture Trustee the obligations as set out in the Put Notice within 1 (one) Business Day of receipt of the Put Notice.

The Issuer would undertake that within 90 (ninety) days from the Deemed Date of Allotment, it shall create Security over the Mortgaged Property under the Put-option Memorandum of Entry on paripasu basis in favour of the Debenture Trustee for securing the obligations of the Option Provider under the Put-option Agreement.

*The details pertaining to the put option are recorded in the Put Option Agreement.*

CALL Option (Full Redemption on Early Redemption Date):

The Issuer shall have the right to redeem the Debentures anytime between 60 and 66 months from the Deemed Date of Allotment by providing a written notice of at least 10 days conveying such intention ("Early Redemption Notice").

Upon the Issuer issuing an Early Redemption Notice the Debentures would need to be redeemed on the notified date for which the Issuer would need to deposit the requisite redemption amount in the escrow account at least 2 business days prior to the notified date ("Top-Up Obligation").

*For further details on Call Option, please refer to Clause 2.5.1 of Debenture Trust Deed.*

#### **TAX DEDUCTION AT SOURCE**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. Tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the registered office of the Company or at such other place as may be notified by the company in writing, at least 30 (thirty) calendar working days before the interest payment dates.

Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application money, should be submitted along with the application form. Where any deduction of Income Tax is made at source, the Company shall send to the Debentureholder(s) a Certificate of Tax Deduction at Source. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

Tax Deducted at source will be paid to Income tax authorities on accrual or payment whichever is earlier basis.

**At present, the Tax to be deducted on the interest on Debentures is “NIL” since the same are to be listed on the stock exchange.**

#### **TAX BENEFITS TO THE DEBENTURE HOLDERS OF THE COMPANY**

The holder(s) of the Debentures are advised to consider in their own case, the tax implications in respect of subscription to the Debentures after consulting their own tax advisor/ counsel.

#### **DEPOSITORY ARRANGEMENTS**

The Issuer has appointed Karvy Computershare Private Limited, Hyderabad as Registrars & Transfer Agent for the present Debenture issue. The Company shall make necessary depository arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for issue and holding of Debenture in dematerialized form. In this context the Company shall sign two tripartite agreements as under:

- Tripartite Agreement between Issuer Company, RTA and National Securities Depository Ltd. (NSDL) for offering depository option to the investors.
- Tripartite Agreement between Issuer Company, RTA and Central Depository Services (I) Ltd. (CDSL) for offering depository option to the investors.

Investors can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

#### **BASIS OF ALLOCATION / ALLOTMENT**

The Issuer reserves the right to reject any/all applications at its sole discretion, without assigning any reason whatsoever.

#### **TRADING OF DEBENTURES**

The marketable lot for the purpose of trading of Debentures shall be 1 (one) Debenture of face value of Rs. 10 Lacs each. Trading of Debentures would be permitted in demat mode only in standard denomination of Rs. 10 Lacs and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

## **REDEMPTION**

### **Early Redemption Date:**

Any date falling between 60 and 66 months from the Deemed Date of Allotment on which call is exercised by the Issuer for redemption.

### **Final Redemption Date:**

At the end of 90 months from the Deemed Date of Allotment

### **Full Redemption on Early Redemption Date:**

The Issuer shall have the right to redeem the Debentures anytime between 60 and 66 months from the Deemed Date of Allotment (Early Redemption Date) by exercising the call option through a written notice of at least 10 days conveying such intention.

### **Scheduled Redemption Date**

In the event that the Issuer does not redeem all the Debentures on the Early Redemption Date, the Issuer shall redeem the Debentures in monthly installments commencing from the date falling 5 years 6 months from the Deemed Date of Allotment and up to the Final Redemption Date (each a "Scheduled Redemption Date") in accordance with the Debenture Trust Deed and the Transaction Documents.

### **Final Redemption Date**

The Debentures would fall due for full redemption on the Final Redemption Date at the expiry of 90 months from the Deemed Date of Allotment, if the same have not got redeemed prior to the Final Redemption Date. The outstanding Debentures would fall due for redemption on the Final Redemption Date.

The face value of the Debentures thus redeemed through various options as mentioned above will not carry any obligation, for interest or otherwise, after said Redemption. The Debentures shall be taken as discharged on payment of the Redemption Amount by the Issuer to the registered Debenture holders whose name appear in the Register of Debenture holders on the Record Date(s) for such action. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture holders.

In case any Redemption Date falls on a day which not a Business Day, then the payment due shall be made on the previous Business Day

### **PAYMENT ON REDEMPTION**

Payment on redemption will be made by cheque(s)/ warrants(s)/RTGS in the name of the Debenture Holder whose name appears on the list of beneficial owners given by Depository to the Issuer as on the Record Date.

On the Issuer dispatching the redemption warrants to such Beneficiary (ies) by registered post/ courier, the liability of the Issuer shall stand extinguished.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture holders. On such payment being made, the Issuer will inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Debenture holders with NSDL/ CDSL/ Depository Participant will be adjusted.

The Issuer's liability to the Debenture holders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Issuer will not be liable to pay any interest or compensation from the date of redemption. On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

*For further details about Redemption, please refer to Clause 2.5 of Debenture Trust Deed.*

## **SECURITY**

- A. The Debentures shall be secured by:
- i. First ranking mortgage on the Mortgaged Property by deposit of title deeds under the Debenture Memorandum of Entry;
  - ii. Exclusive first ranking charge on the Charged Accounts, all Permitted Investments and the Receivables; and
  - iii. Pledge of 100% of the equity share capital of the Issuer held by the Pledgors under the Share Pledge agreement.

The Issuer shall create the security set out in sub-clause A above on or prior to the Deemed Date of Allotment, in accordance with the terms set out in the Debenture Trust Deed and other Transaction Documents.

### **Maintenance of Minimum Security Cover**

The Issuer shall ensure that, on and from the date of this Information Memorandum, the ratio of the aggregate valuations of the Mortgaged Property to the value of the amounts due in respect of the Obligations of the Issuer less the amount lying to the credit of the Escrow Account shall not be less than 2 (two) (the "Minimum Security Cover"). The Issuer shall submit the valuations of the Mortgaged Property to the Trustee within 60 (sixty) days from the end of every 12 (twelve) month period from the Deemed Date of Allotment. If the Minimum Security Cover is not maintained, the Issuer shall forthwith inform the Trustee of the same. The Issuer shall promptly but no later than 30 (thirty) days from the date of submission of the valuations (which do not aggregate to the Minimum Security Cover), provide additional security which is acceptable to the Trustee (acting on Majority Debenture Holders' Consent). The Issuer shall create and perfect Security Interest of such ranking and priority as may be requested by the Trustee over such additional security to the satisfaction of the Trustee within a period of 30 (thirty) days of providing such additional security, such that such additional security is created and perfected within an aggregate period of 60 (sixty) days from the day of submission of the valuations. Provided however if the Issuer is unable to create and perfect such additional security as per the terms of this Clause, the Issuer shall redeem on a proportionate basis such amount of the face value of the Debentures to ensure that Minimum Security Cover is maintained ("Part Redemption"). The Issuer shall

undertake Part Redemption by serving a written notice of at least [7 (seven)] Business Days for Part Redemption to the Trustee inter alia stating the date of the Part Redemption (“Part Redemption Date”).

The Issuer shall make payment due to the Debenture Holders, pursuant to the Part Redemption on the Redemption Payment Date corresponding to the Part Redemption Date.

#### **Lease Agreements**

The Issuer shall promptly but no later than 7 (seven) days, inform the Debenture Trustee of any change or notice of termination in any of the Lease Agreements or the execution of any new Lease Agreements.

*For further details please refer to Clause 5.1 (r) of the Debenture Trust Deed.*

#### **INSURANCE OF MORTGAGED PROPERTIES:**

The Issuer shall, as per industry practice, ensure that the Mortgaged Property shall be kept fully insured against loss or damages as may be required by the Debenture Trustee due to any reason whatsoever and particularly against fire, lightning, aircraft damage, explosion, implosion, earthquake, riot, strike, civil commotion, storm, cyclone, tempest, flood, , impact damage caused by rail or road vehicles, landslides and/or such other risk(s) as the Debenture Trustee may from time to time stipulate, with agreed ‘bank clauses’ in favour of the Debenture Trustee or any person designated by the Debenture Trustee and acceptable to the Debenture Trustee with an insurance company of repute and up to the replacement value thereof as approved by the Debenture Trustee.

The Issuer shall promptly and in any event within 2(two) Business Days, notify to the Debenture Trustee any event or circumstance occurring which would entitle any insurer to avoid or otherwise reduce its liability under any of the Insurance Policies.

The Issuer shall unless otherwise instructed by the Debenture Trustee, cause any and all proceeds from each Insurance Policy to be utilized solely for repair or replacement of the relevant portion of the Mortgaged Property.

*For further details about Insurance of the Mortgaged Properties, please refer to Clause 5.1 (t) of the Debenture Trust Deed*

#### **EFFECT OF HOLIDAYS**

If the coupon payment date of the debt securities, falls on a Sunday or a holiday the coupon payment shall be made on the next working day. If the redemption date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. The holiday in New Delhi will be considered as a non-business day.

#### **LIST OF BENEFICIAL OWNERS**

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount on maturity, as the case may be.

## LETTER OF ALLOTMENT AND DEBENTURE CERTIFICATE

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within 15 days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

## ISSUE OF DEBENTURE CERTIFICATE(S)

The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

## DISPATCH OF REFUND ORDERS

The Issuer shall ensure dispatch of Refund Order(s) by Registered Post only and adequate funds for the purpose shall be made available to the Registrar to the Issue by the Issuer.

## ISSUE OF DUPLICATE DEBENTURE CERTIFICATES

If any Debenture Certificate(s) is / are mutilated or defaced, then, upon production of such certificate(s), the Company shall cancel the same and issue new certificate(s) in lieu thereof. If any Debenture Certificate(s) is/are lost, stolen or destroyed then, upon production of proof thereof to the satisfaction of the Company and upon furnishing such indemnity, as the Issuer may deem adequate and upon payment of any expenses incurred by the Issuer or that the Issuer may be required to incur in connection thereof, new certificate(s) shall be issued.

## TERMS OF PAYMENT

The full face value of the Debentures applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ demand draft(s)/RTGS for the full face value of the Debentures applied for.

Face Value Per Debenture	Minimum Application for	Amount Payable on Application per Debenture
Rs. 10,00,000/- (Rupees Ten Lacs Only)	1 (ONE) Debenture & in multiples of 1 (one) Debenture thereafter	Rs. 10,00,000/- (Rupees Ten Lacs Only)

## DEEMED DATE OF ALLOTMENT

1 (one) Business Day from the receipt of the entire Subscription Amount, being the "Deemed Date of Allotment". Interest on Debentures shall accrue to the Debenture holder(s) from the Deemed Date of

Allotment. All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. Promptly after the Deemed Date of Allotment and in no event later than 2 (two) Business days from the Deemed Date of Allotment, the Issuer shall credit the Debentures in dematerialized form to the respective demat accounts of the Debenture Holders. In case if the issue closing date is changed (preponed/ postponed), the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Company at its sole and absolute discretion.

*For further details on Deemed Date of Allotment, please refer Clause 2.4 of the Debenture Trust Deed.*

## **JOINT-HOLDERS**

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to other provisions contained in the Articles.

## **SHARING OF INFORMATION**

The Issuer may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the Debenture holders available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer or its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

## **MODE OF TRANSFER**

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and if they are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

## **SUCCESSION**

In the event of the demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder

of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture (s) standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied with:

- Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.
- Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be on a non-repatriation basis.

## **NOMINATION**

In the event of, however, a deceased Debenture holder having nominated any person entitled to be registered as the Debenture holder in the event of his death, such nominee shall be registered as the Debenture holder in place of the deceased Debenture holder, notwithstanding anything contained in any other law for the time being in force.

## **FUTURE BORROWINGS**

The Issuer shall not be entitled, from time to time, to make further issue of Debentures and / or Debentures and other such instruments to the public / members of the Company / banks / financial institutions / bodies corporate / mutual funds and / or any other person(s) and /or to raise further loans, advances and/or avail of further financial and / or guarantee facilities from all or any of the above without obtaining the prior approval of CRISIL Ltd. (Rating Agency) and the Trustee.

The Issuer shall not incur any Financial Indebtedness or provide any guarantee on behalf of any person, save and except or (a) subordinated debt from its Pledgors and/or any company owned or controlled by the Pledgors either directly or indirectly, which shall be payable only after the discharge of all the Obligations of the Issuer in respect of the Debentures, or (b) with prior consent of Debenture Trustee

## **RIGHTS OF DEBENTURE HOLDERS**

The Debenture holders will not be entitled to any rights and privileges of share holders other than those available to them under statutory requirements. The Debentures shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of shareholders of the Company. The principal amount and interest, if any, on the Debentures will be paid to the sole holder only, and in the case of joint holders, to the one whose name stands first in the Register of Debenture holders. The Debentures shall be subject to other usual terms and conditions incorporated in the Debenture certificate(s) that will be issued to the allottee (s) of such Debentures by the Company and also in the Debenture Trust Deed/Transaction Documents.



## **MODIFICATION OF RIGHTS**

Any change or modification to the terms of the Debentures or the Debenture Trust Deed shall require approval by the Debenture Holders representing 100% of the face value of all the Debentures held by the Debenture Holders. Upon obtaining such approval, the Trustee and the Issuer shall give effect to the same by executing necessary deed(s) supplemental to these presents (as necessary).

## **DEBENTUREHOLDER NOT A SHAREHOLDER**

The Debenture Holders will not be entitled to any of the rights and privileges available to the shareholders including right to receive notices to attend and vote at General meetings of the Issuer.

## **PURCHASE/ SALE OF DEBENTURES**

Subject to Applicable Law, the Issuer will have the power exercisable at its absolute discretion from time to time to purchase some or all of the Debentures at any time prior to the Redemption Date, at discount, at par or at premium from the open market. Such Debentures, at the option of the Issuer, may be cancelled, held or resold at such price and on such terms and conditions as the Issuer may deem fit and as permitted by Applicable Law.

## **RIGHT TO RE-ISSUE OF DEBENTURES**

Subject to Applicable Law, and any regulatory approval, if required, in the event of the Debentures being purchased by the Issuer prior to the Final Redemption Date, the Issuer shall have the right to re-issue the Debentures under Section 121 of the Companies Act, 1956 or any other Applicable Laws.

## **NOTICES**

The notices to the Debenture holder(s) required to be given by the Issuer or the Trustee shall be deemed to have been given if sent by post to the sole / first allottee or sole / first registered holder of the Debentures, as the case may be.

All notices to be given by the Debenture holder(s) shall be sent by registered post or by hand delivery to the corporate/registered office of the Issuer or to such persons at such address as may be notified by the Issuer from time to time. All correspondence regarding the Debentures should be marked

### **“PRIVATE PLACEMENT OF SECURED, RATED, LISTED, REDEEMABLE, RUPEE DENOMINATED NON-CONVERTIBLE DEBENTURES IN THE NATURE OF DEBENTURES”.**

Any notice required to be served on the Trustee may be served on the Trustee by sending through courier, registered post in prepaid letter, email or fax addressed to the Trustee at the coordinates mentioned below.

All notice(s) to be given by the Debenture Holder(s) or Trustee to the Issuer shall be sent by courier, registered post in prepaid letter, email or fax addressed to the Issuer at the coordinates mentioned below.

All notices to the Debenture Holder(s) required to be given by the Issuer or the Trustee shall be sent by post/ courier/email/fax to the sole/ first allottee or sole/ first beneficial owner of the , as the case may be, from time to time, as per the updated list of beneficial owners on the Record Date, to be obtained from the Depository.

All notices and communications shall be effective (a) if sent by fax, when sent (on receipt of a confirmation to the correct fax number); (b) if sent by hand delivery, when delivered; (c) if sent by courier or registered post acknowledgement due, 1 (one) Business Day after deposit with a courier/ or post office and (d) if sent by email, with sender's receipt of the transmission receipt.

All notices shall be issued to the following address:

The address and contact details of the Issuer:

Address : **SHOPPING MALL PHASE 1,  
DLF CITY GURGAON,  
HARYANA - 122002**

Tel No. : **011-42102180**

Fax No : **011-41501771**

Email : [jhunjhunwala-vivek@dlf.in](mailto:jhunjhunwala-vivek@dlf.in)

Attention : **Mr. Vivek Jhunjhunwala**

The address and contact details of the Debenture Trustee:

Address : Axis Trustee Services Limited  
2nd floor, E, Axis House,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai-400025  
Fax No. : 022-24254200

Tel No. : 022-24255216

Email : [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)

Attention : Mr. Neelesh Baheti

*For further details about Notices, please refer to Clause 10 of Debenture Trust Deed.*

## **PAN/GIR NUMBER**

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

## **SIGNATURES**

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

## **NOMINATION FACILITY**

As per Section 72 of the Companies Act, 2013, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

## **DISPUTES & GOVERNING LAW**

The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at New Delhi.

## **COMPLIANCE OFFICER**

Name :Mr. Vivek Jhunjunwala

Phone :011-42102180

Fax :011-41501771

Email : [jhunjunwala-vivek@dlf.in](mailto:jhunjunwala-vivek@dlf.in)

## **THE DISCOUNT AT WHICH SUCH OFFER IS MADE AND THE EFFECTIVE PRICE FOR THE INVESTOR AS A RESULT OF SUCH DISCOUNT**

The Debentures are being issued at face value and not at discount to offer price.

## **SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES, PAYMENT OF DUE INTEREST ON DUE DATES ON TERM LOANS AND DEBT SECURITIES**

The Company hereby confirms that the

1. The Company has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
2. The Company has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

## **MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER**

### **A. Material Contracts**

- a. letter appointing Registrar and Transfer Agents and copy of MoU entered into between the Company and the Registrar.
- b. Consent letter of appointment from Axis Trustee Services Limited.as Trustees to the Debentureholders.
- c. Credit Rating Letter from CRISIL Limited.
- d. Share Pledge Agreement
- e. Deed of Hypothecation
- f. Debenture Trust Deed
- g. Put Option Agreement
- h. Account Agreement

- i. Debenture Memorandum of Entry
- j. Put-Option Memorandum of Entry
- k. Debenture Director's Declaration
- l. Put Option Director's Declaration
- m. Offer Letter

**B. Documents**

- a. Memorandum and Articles of Association of the Company as amended from time to time.
- b. Letter of consent reference no. from Karvy Computershare Private Limited, Hyderabad dated April 29, 2014 for acting as Registrars to the Issue.
- c. Declaration

**Transaction Documents and Information Memorandum**

The Issuer covenants to comply with the provisions of the Information Memorandum. Debenture Trust Deed shall be read in conjunction with the Information Memorandum and it is specifically agreed between the Debenture Trustee and the Issuer that in case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in the Information Memorandum and Debenture Trust Deed, the provisions as contained in Debenture Trust Deed shall prevail and override the provisions of the Information Memorandum. The drafts of the Transaction documents are provided along with this Information Memorandum.

**Summary term sheet**

<b>1.</b>	<b>Security Name</b>	DLF Emporio Limited 10.90% November 2021
<b>2.</b>	<b>Issuer</b>	DLF Emporio Limited, a company belonging to the DLF Group, holding ownership of DLF Emporio Mall, New Delhi which has been leased to various tenants and has the right of receipt of future lease rentals from the same.  The above Company proposes to issue Debentures under the CMBS (Commercial Backed Mortgage Security).
<b>3.</b>	<b>Type of Instrument</b>	Secured, Rated, Redeemable Rupee Denominated Non Convertible Debentures to be fully secured inter alia by first charge of DLF Emporio, New Delhi and escrow of rental receivables from the Mall throughout the tenure of the Debentures.
<b>4.</b>	<b>Nature of instrument</b>	Secured
<b>5.</b>	<b>Seniority</b>	Senior
<b>6.</b>	<b>Mode of Issue</b>	Private Placement

7.	<b>Eligible Investors</b>	<ul style="list-style-type: none"> <li>• Mutual Funds,</li> <li>• Public Financial Institutions as defined in section 2(72)of the Companies Act, 2013,</li> <li>• Scheduled Commercial Banks,</li> <li>• Insurance Companies,</li> <li>• Foreign Institutional Investors (subject to compliance with the SEBI/ RBI norms),</li> <li>• Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds,</li> <li>• Co-operative Banks, Regional Rural Banks authorized to invest in Debentures, Companies and Bodies Corporate authorized to invest in Debentures ,</li> <li>• Societies authorized to invest in Debentures,</li> <li>• Trusts authorized to invest in Debentures, Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in Debentures</li> <li>• Any other investor authorized to invest in these Debentures as per extent rules and regulations.</li> </ul>
8.	<b>Listing</b>	The Debentures shall be listed on the WDM segment of BSE, within 15 (fifteen) days of the Deemed Date of Allotment.
9.	<b>Credit Rating</b>	CRISIL AA (SO)/Stable by CRISIL Limited
10.	<b>Issue Size</b>	Rs. 525,00,00,000(Five Hundred Twenty FiveCrore)
11.	<b>Option to retain oversubscription amount</b>	None
12.	<b>Objects of the issue</b>	General Corporate purpose including repayment of existing debt but should not be utilized for investment in capital market.
13.	<b>Details of the utilization of the proceeds</b>	General Corporate purpose including repayment of existing debt but should not be utilized for investment in capital market.
14.	<b>Interest Rate</b>	10.90% p.a. payable monthly
15.	<b>Step up/ Step Down of Interest Rate</b>	N. A.
16.	<b>Interest Payment Frequency</b>	Monthly
17.	<b>Interest Payment dates</b>	Monthly. i.e. 20th of every month. <i>(Interest to be paid out of the exclusively escrowed net Lease</i>

18.	<b>Coupon type</b>	Fixed
19.	<b>Coupon reset process (including rates, spreads, effective date, interest rate cap and floor, etc)</b>	N.A.
20.	<b>Day Count Basis</b>	Actual/ Actual
21.	<b>Interest on Application Money</b>	Interest at 10.90% p.a. (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to all the applicants on the application money for the Debentures from the date of realization of application money upto one day prior to the Deemed Date of Allotment.
22.	<b>Default interest rate</b>	The Issuer will pay 2% additional interest on the delayed amount in respect of interest or principal over the period of such delay.
23.	<b>Tenor</b>	90 months from the deemed date of allotment
24.	<b>Final Redemption Date</b>	At the expiry of 90 months from the Deemed Date of Allotment
25.	<b>Redemption Date</b>	The Final Redemption Date, an Early Redemption Date, a Scheduled Redemption Date or a Part Redemption Date, as the case may be.
26.	<b>Redemption Amount</b>	The aggregate of the outstanding principal amount of each Debenture, Interest and the Default Interest, if any.
27.	<b>Redemption Premium/ Discount</b>	At Par; No Premium or Discount
28.	<b>Issue Price</b>	At par i.e. Rs. 10, 00,000 (Rupees Ten Lacs only) per Debenture.
29.	<b>Discount on which security is issued and the effective yield as a result of such discount</b>	N. A.
30.	<b>Put option date /Put Settlement date</b>	Put option date: The date of notification by the Debenture Trustee to the Option Provider to honor Put Option obligation any time after the failure by the Issuer to comply

		with the Top Up Obligation. Put Settlement Date: 1 (one) day after Put option date.
31.	Put option price	At Par
32.	Call option date /Early Redemption Date	Any time between 60 and 66 months from the Deemed Date of Allotment (Early Redemption Date) by the Issuer exercising the call option through a written notice of at least 10 days conveying such intention.
33.	Call option price	At Par
34.	Put notification time	Any time after the failure by the Issuer to comply with the Top Up Obligation but prior to the Final Redemption Date, the Trustee has the right to require the Option Provider to pay to the Trustee all the Obligations payable by the Issuer under the Transaction Documents by serving a written notice to the Option Provider.
35.	Call notification time	Any time between 60 and 66 months from the Deemed Date of Allotment (Early Redemption Date) by the Issuer exercising the call option through a written notice of at least 10 days conveying such intention.
36.	Face Value	Rs. 10, 00,000 (Rupees Ten Lacs only) per Debenture.
37.	Minimum Application and in multiples of 1 debt securities thereafter	Minimum Application of Rs. 10 Lacs (1 Debenture) and in multiplication of Rs. 10 Lacs (1 Debenture) thereafter
38.	Issue Timing: (a) Issue Opening Date (b) Issue Closing Date (c) Deemed Date of Allotment	May 19, 2014 May 21, 2014 May 22, 2014
39.	Issuance mode of the Instrument	Dematerialized Form
40.	Trading mode of the Instrument	Dematerialized only
41.	Settlement mode of the Instrument	Dematerialized only, RTGS/NEFT

42.	<b>Depository</b>	National Securities Depositories Limited and Central Depository Services Limited.
43.	<b>Business Day Convention</b>	<p>If any Interest Payment Date falls on a day which is not a Business Day, then payment of the Interest due on that Interest Payment Date will be made on the immediately succeeding Business Day.</p> <p>If any Redemption Date falls on a day which is not a Business Day, then payment of Redemption Amount will be made on the immediately preceding Business Day.</p>
44.	<b>Record Date</b>	15 (Fifteen) days prior to each Interest Payment Date or Redemption Date
45.	<b>Security</b>	<ul style="list-style-type: none"> <li>i. First Ranking Mortgage of DLF Emporio along with the underlying land on which the Mall has been built having a present Market Value of around Rs. 1081Crores under the Debenture Memorandum of Entry</li> <li>ii. Exclusive first ranking charge on the charged accounts all permitted investments and receivables under the Deed of Hypothecation.</li> <li>iii. Pledge of 100% of the equity share capital of the Issuer held by the Pledgors under the Share Pledge agreement.</li> </ul> <p>The Debenture Trustee (acting for the benefit of the Debenture Holders) shall hold the above security created by the Issuer under or in terms of the Transaction Documents, in its favour, upon trust, subject to the powers and provisions contained in the Debenture Trust Deed, for securing the Obligations.</p> <p>The Issuer shall create the security set out above on or prior to the Deemed Date of Allotment, in accordance with the terms set out in the Debenture Trust Deed and the other Transaction Documents</p>
46.	<b>Security Coverage Ratio</b>	<p>The security coverage offered on the mortgaged properties shall not be less than <b>2 times</b> of the outstanding face value of the Debentures.</p> <p>The Issuer shall submit the valuations of the Mortgaged Property to the Debenture Trustee within 60 (sixty) days of the end of every 12 (twelve) month period from the Deemed Date of Allotment.</p> <p>If security cover falls below 2 times anytime during the tenure of Debentures, the Issuer has the option to either provide additional security in a manner acceptable to the</p>



		debenture trustee, so as to restore the security cover 2 times, or redeem the outstanding principle of the Debentures partly by way of Part Redemption, so as to restore the security cover to 2 times on the balance amount outstanding.
47.	<b>Interest Coverage Ratio</b>	The Net Rent receipts would provide an interest cover of <b>minimum 1.5 times</b> of the interest liability.
48.	<b>Transaction Documents</b>	The Debenture Trust Deed, this Disclosure Document, the Debenture Trustee Appointment Letter, the Debenture Memorandum of Entry, the Put-option Memorandum of Entry, the Put Option Director's Declaration, the Debenture Director's Declaration, the Share Pledge Agreement, the Deed of Hypothecation, the Account Agreement, the Put- option Agreement, the Offer Letter and the letters issued by the Rating Agency.
49.	<b>Conditions precedent to disbursement</b>	As per Schedule II Part A of the Debenture Trust Deed
50.	<b>Conditions Subsequent to disbursement</b>	As per Schedule II Part B of the Debenture Trust Deed
51.	<b>Events of Default</b>	As defined in Clause 6.1 of the Debenture Trust Deed
52.	<b>Role and responsibility of the Debenture Trustee</b>	As defined in Clause 7 of the Debenture Trust Deed
53.	<b>Governing Law and Jurisdiction</b>	The Transaction Documents shall be governed by and construed in accordance with Indian law.  The courts and tribunals in New Delhi shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents
54.	<b>Provisions relating to Cross Default clause</b>	As stated in the Transaction Documents.
55.	<b>DSRA Account for Interest Servicing</b>	In DSRA Account the amount equivalent to three months of interest liability would be deposited upfront by the Issuer on the deemed date of allotment and the same shall be maintained throughout the tenure of Debentures till the time of its final redemption either on early redemption date or on final redemption date as the case may be.

56.	<b>Full Redemption on Early Redemption Date</b>	<p>The Issuer shall have the right to redeem the anytime between 60 and 66 months from the Deemed Date of Allotment (Early Redemption Date) by providing a written notice of at least 10 days conveying such intention.</p> <p>Upon the Issuer issuing Early Redemption Notice the Debentures would need to be redeemed on the notified date for which the Issuer would need to deposit the requisite redemption amount in the escrow account at least 2 business days prior to the notified date (Top-Up Obligation).</p>
57.	<b>Put Option</b>	<p><b>PALIWAL REAL ESTATE LIMITED</b>, a Public Limited company duly incorporated and registered under the Companies Act, 1956 has granted the Debenture Holder a put option on the Debentures.</p> <p>Under the Put Option Agreement, at any time on or after a default by the Issuer of the Top-Up Obligation but prior to the Final Redemption Date, the Debenture Trustee shall have the absolute right but not the obligation to require the Option Provider to pay to the Debenture Trustee all the obligations payable by the Issuer under the Transaction Documents by serving a written notice to the Option Provider, in the form attached to the Put Option Agreement, of its intention to exercise the Put Option (the “<b>Put Notice</b>”). The Option Provider will be obliged to pay to the Debenture Trustee the obligations as set out in the Put Notice within 1 (one) Business Day of receipt of the Put Notice.</p>
58.	<b>Non repayment of Principal</b>	<p>In the event of the Issuers and Option provider not being able to redeem the Debentures on Early Redemption Date or Put Settlement Date respectively, the monthly interest on the outstanding face value of the Debentures would continue to get serviced through lease rentals from the escrow account. Any excess of the lease rental during this period would go towards principal redemption on monthly basis based on the Scheduled Redemption Date.</p>
59.	<b>Invocation of Security on failure to comply with the Top up Obligation</b>	<p>In the event of failure by the Issuer to comply with the Top up Obligation, the Trustee shall issue a notice to the pledgors for invocation and sale of pledged shares and also call upon the Option Provider to honor its put option obligation under the Put Option Agreement.</p> <p>In the event of Option Provider failing to honor its</p>

		<p>commitment by the Put Settlement Date, the Trustee would take steps for invocation and sale of mortgaged properties.</p> <p>The notice of invocation and sale shall be of 7Business days and shall refer to the concerned debt and also specify the Pledgee’s intention to sell the shares. Post the notice period, the Trustee on submission of pledge invocation request would get the depository to register the Trustee as the Beneficial owner of the shares.</p> <p>Post the invocation and the Pledged shares being transferred to the depository account of the Trustee, the Trustee can proceed to undertake the sale (i.e. either via public auction or private sale) of the pledged shares.</p> <p>The manner and method for the invocation of security is provided under the Transaction Documents.</p> <p>Post the invocation and the pledged shares being transferred to the depository account of the Trustee, the Trustee can proceed to undertake the sale (i.e. either via public auction or private sale) of the pledged shares.</p> <p>The Trustee would also simultaneously take steps for sale of mortgaged properties.</p>
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**OTHER TERMS AND CONDITIONS:**

**1. Security Creation**

In the event that the Issuer fails to create and perfect a valid security on the terms set out in the Debenture Trust Deed and other Transaction Documents within relevant time period set out in the other Transaction Documents, the Issuer shall be required to either (i) refund the entire Subscription Amount or (ii) pay an interest of 2% per annum over and above the Interest Rate on the amounts outstanding on the Debenture, until the security is created and perfected in the manner and on the terms set out in the Debenture Trust Deed and other Transaction Documents, at the option of the Debenture Holders

**2. Default in Payment**

in the event of a default in payment of (i) the Interest on the relevant Interest Payment Date; and/or (ii) the Redemption Amount on the relevant Redemption Payment Date, the Issuer shall pay default interest at the rate of 2% (two percent) per annum over and above the Interest Rate on the defaulted amounts for the period of default. Such default interest shall be payable to the Debenture Holders in addition to the applicable Interest which shall be calculated upto the date on which the Interest is fully paid.

**3. Delay in Listing**

The Issuer proposes to list the Debentures on wholesale debt segment of the Stock Exchange. The Issuer shall ensure listing of all Debentures within 15 (fifteen) days of the Deemed Date of Allotment failing which the Issuer shall be required to buy back the Debentures, by payment of the Redemption Amount on all the Debentures.

**4. No Other Business:**

Refer Clause 5.4 – Negative Covenants of the Debenture Trust Deed

**5. Property Manager:**

The borrower SPVs would ensure that the management of the mortgaged properties is vested with suitably empowered professionals and in the event of any change in property management agreement the same should be done with the prior approval of the Trustee.

**6. Transfer:**

The borrower will not sell, pledge, encumber, mortgage, assign or otherwise dispose of its interest in the above mentioned properties.

There will also not be any direct or indirect sell, pledge, encumber, mortgage, assign or otherwise disposal of any direct or indirect interests by any direct or indirect equity owner in the concerned SPVs without any prior approval from the trustees and credit rating confirmation.

**7. Casualty and condemnation:**

In case of any casualty or condemnation, the borrower, at its expense, shall restore the mortgaged property to a status at least equivalent to the quality and character immediately prior to the casualty or condemnation.

However, the Trustee would have the right to call for prepayment of the Debentures in case of occurrence of one or more of the following critical events:

- I. The casualty or condemnation involved an actual and constructive loss of more than 30% of the fair market value of the property and rendered not tenable more than 30% of the rentable area of the property.
- II. The property cannot be restored prior to the expiration of business interruption insurance or prior to at least six months before the maturity date.
- III. If after such restoration, there is an expectation of reduction in the fair market value or the cash flow of the property.
- IV. If leases covering in aggregate at least 65% of the rentable square footage of the property does not remain in full force and effect during and after the completion of restoration.

If restoration is permitted then, to the extent the proceeds are projected to be insufficient to complete the restoration, the borrower shall provide sufficient additional collateral in the form of cash or cash equivalents in an amount equal to the shortfall.

## **DECLARATION**

The Issuer undertakes that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and SEBI Circular dated 29.10.2013 having Circular No. CIR/IMD/DF/18/2013).

The Issuer also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

**For DLF EMPORIO LTD.**

**(Vivek Jhunjunwala)**

**Director**

**Date : 15.05.2014**

**Place : Gurgaon**



## Rating Rationale

### **CRISIL assigns 'CRISIL AA(SO)/Stable' ratings to CMBS issuances of DLF Emporio Ltd and DLF Promenade Ltd**

#### **DLF Emporio Ltd**

<b>Rs.5.25 billion Non-Convertible Debentures Issue</b>	<b>CRISIL AA(SO)/Stable (Assigned)</b>
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#### **DLF Promenade Ltd**

<b>Rs.3.75 billion Non-Convertible Debentures Issue</b>	<b>CRISIL AA(SO)/Stable (Assigned)</b>
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CRISIL has assigned its '**CRISIL AA(SO)/Stable**' rating to the commercial mortgage-backed securities (CMBS; issued as NCDs) of DLF Emporio Ltd and DLF Promenade Ltd. The companies are step down subsidiaries of DLF Ltd (Rated 'CRISIL A/Stable/CRISIL A2+') and own and operate eponymous malls in New Delhi.

The ratings reflect the quality of the underlying properties, comfortable interest service coverage, liquidity support, and the structural features of the instrument. These strengths are partially offset by the susceptibility of lease rentals to prolonged economic slowdown leading to lower occupancy and rentals, or sudden exit of multiple/large tenant.

CRISIL has factored strengths of the properties such as location, low vacancy rates and proficient operational management. These are reflected in the stability of rental revenues over the past two years and stability of the top 10 tenants in the respective properties. The two malls, in operation for the last five years, have witnessed steady growth in revenues. The operations have now stabilised, as reflected in vacancy rates of about 2-3 per cent in the last two years. Their prime location and ability to cater to the tastes of predominantly affluent households in the catchment area ensure healthy footfalls. This, along with limited availability of retail space in the vicinity and healthy demand for quality real estate from high-end luxury brands ensure a low vacancy and stable revenues in the medium term. Further, both malls have a good tenant profile. The top 10 tenants have been occupants for two to three years, and lease agreements are drawn for 9 years with rent escalations every 3 years; the top 10 tenants constitute 40 per cent and 30 per cent of the lease rentals of DLF Emporio and DLF Promenade respectively.

The monthly interest payments on the NCDs will be made out from lease rentals. A comfortable interest service coverage ratio (ISCR) of 1.7 to 2 times mitigates risks on account of a decline in lease income and increase in operating expenses. Even in a stress scenario, if the net lease rentals decline by 40 per cent, monthly cash flows will be sufficient to make scheduled interest payments to NCD investors. Additionally, a debt service reserve account (DSRA) equivalent to three months' interest payments is available to meet any shortfall in monthly interest payments.

The loan-to-value (LTV) ratio of about 50 per cent for each property is comfortable, too. And given the experience of the promoters, the expected stability of cash flows generated from the property and restriction on additional issuance of debt, the issuers are expected to be able to refinance the NCDs by the end of the indicative maturity date<sup>1</sup>.

<sup>1</sup> The indicative maturity is the date (end of 5.5 years) by which the NCDs are expected to be repaid

In case the issuers are unable to refinance the NCDs by the indicative maturity date, structural features empower the Debenture Trustee (DT) to repay investors by selling the underlying properties or pledged shares by the legal final maturity date<sup>2</sup>. A tail period of two years between indicative and legal final maturity has been provided to enable the DT exercise the structural features. CRISIL believes the rights provided to the DT and the tail period are adequate to realise funds and repay the investors.

The DT has been bestowed with the following rights to ensure repayment by the legal final maturity date:

- Right to sell the mortgaged property through its authorised representative, who will be a nominee director on the issuer's board
- Enforcement of pledge of shares
- Right to enforce the mortgage - In case the put-option provider fails to honour its obligation, the DT will have the right to enforce the mortgage on the underlying property

These features allow the rating on the CMBS issuance to be delinked from the parent company's credit profile. The validity and enforceability of the transaction structure and other key legal aspects have been opined by an independent legal counsel, namely, Amarchand & Mangaldas & Suresh A. Shroff & Co.

However, rental revenues of both the malls remain susceptible to factors such as consumer spending, macro-economic conditions and sudden exit of large/multiple clients. The lease agreements are based on fixed rent, minimum guarantee and revenue-sharing basis, or on a pure revenue-sharing basis. Retail sales are driven by festive seasons, promotions and discounts which result in sales volatility for the tenants and consequently in rental income. CRISIL believes any sustained slowdown in economic activity may result in lower footfalls causing the exit of tenants and the consequent higher vacancy rates may impact rental revenues at the malls.

**Outlook: Stable**

CRISIL believes both the malls will maintain low vacancy rates and steady lease rentals over the medium term because of their locational advantage and proficient operational management. The outlook will be revised to "Positive" if there is a significant and sustainable improvement in the ISCR -- mostly through higher-than-expected increase in revenues and material appreciation in property value. Conversely, the outlook will be revised to "Negative" if there is deterioration in the ISCR or a decline in property value. Any non-adherence to the structural features of the transaction will result in a rating downgrade.

**About the issuers**

For 2012-13 (refers to financial year, April 1 to March 31), DLF Emporio reported a profit after tax of Rs.0.61 billion (Rs.0.44 billion for 2011-12) on a total operating income of Rs.1.18 billion (Rs.0.99 billion for 2011-12). For 2012-13 and 2011-12, DLF Promenade reported losses of Rs.94.3 million and Rs.1.2 million respectively (due to high interest costs on Inter-corporate deposits) and had a total operating income of Rs.0.83 billion and Rs.0.71 billion, respectively.

For nine months ending December 31, 2013, DLF Emporio and DLF Promenade reported income of Rs.0.87 billion and Rs.0.64 billion, respectively.

**Profile of the parent, DLF Ltd**

DLF Ltd is one of the oldest and largest real estate developers in India. The company has a diverse asset portfolio and has a presence across the country.

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<sup>2</sup> The date (after the indicative maturity) by which the NCDs will be repaid. The debenture remains live until the legal final maturity date (end of 7.5 years) and the interest will be serviced. There will be a default on payment only if principal and interest are not serviced by this date.

DLF Ltd reported a net profit of Rs.7.28 billion on sales of Rs.77.73 billion in 2012-13, and a net profit of Rs.12.10 billion on sales of Rs.96.29 billion for 2011-12. The company reported a net profit of Rs.2.81 billion on net sales of Rs.42.70 billion for the half-year ended September 30, 2013, compared with a net profit of Rs.4.31 billion on net sales of Rs.42.37 billion for the corresponding period of the previous year.

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**About CRISIL Ratings**

CRISIL Ratings is India's leading rating agency. We pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we have a leadership position. We have rated over 75,000 entities, by far the largest number in India. We are a full-service rating agency. We rate the entire range of debt instruments: bank loans, certificates of deposit, commercial paper, non-convertible debentures, bank hybrid capital instruments, asset-backed securities, mortgage-backed securities, perpetual bonds, and partial guarantees. CRISIL sets the standards in every aspect of the credit rating business. We have instituted several innovations in India including rating municipal bonds, partially guaranteed instruments and microfinance institutions. We pioneered a globally unique and affordable rating service for Small and Medium Enterprises (SMEs). This has significantly expanded the market for ratings and is improving SMEs' access to affordable finance. We have an active outreach programme with issuers, investors and regulators to maintain a high level of transparency regarding our rating criteria and to disseminate our analytical insights and knowledge.

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Last updated: May, 2013

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ATSL/CO/14-15/654/04  
April 21, 2014

DLF Emporio Limited  
DLF Centre, | Sansad Marg  
New Delhi - 110 001

Kind Attn.: Mr. Saurabh Chawla


Dear Sir,

Re: Debenture Trustee for your Secured, Rated, Redeemable, Taxable, Non-Convertible Debentures aggregating to Rs. 525 Crores

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Prospectus / Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Prospectus / Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Prospectus / Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

Yours truly,  
For Axis Trustee Services Limited

  
Authorized Signatory

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**AXIS TRUSTEE SERVICES LTD.**  
(A wholly owned subsidiary of Axis Bank)

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