



initiatives have touched many lives in the field of education, training, skill development, health, environment, rural-centric interventions through contributions to DLF Foundation and other agencies. Our internal team members as well as our CSR partners are dedicated to serving the community. We shall endeavour to create stronger bonds with our CSR partners in pursuance of the mission for social development and greater prosperity for the underprivileged sections of society.

In our efforts to inculcate and promote ethical values, we have conceived of the idea of establishing a Vedic Centre through DLF Foundation. The concept aims at creating a unique centre of excellence for the promotion of research in healthcare, education, art and culture, ethical leadership and the healing touch of spirituality based on the tenets of Vedic philosophy.

On behalf of the Board of Directors, I would like to thank all the stakeholders, including our customers and suppliers, Central and State Governments, Regulatory Authorities, investors, bankers and financial institutions, for their consistent faith and trust in all our endeavours.

I thank all my colleagues on the Board for helping to foster good governance culture across the organization and fulfilling the responsibilities of Board in the evolving rigorous regulatory environment. Your Company is committed to maintain the highest standards of governance and compliance practices in all its business activities.

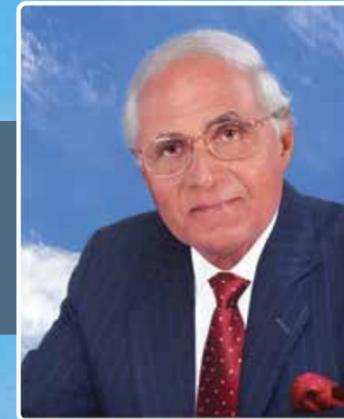
I take this opportunity to place on record my deep appreciation for the hard work, commitment, sincerity and dedication of the entire DLF team.

I look forward for the continued support of all the stakeholders in our shared mission of contributing to India's growth.

(K.P. Singh)
Chairman

24th September, 2018
Gurugram

[This document does not purport to be a record of the proceedings of the Annual General Meeting. The speech can also be accessed at www.dlf.in]



Speech by
Dr. K.P. Singh,
Chairman, DLF Limited

53rd ANNUAL GENERAL MEETING

24th September, 2018



DLF King's Court, Greater Kailash II, New Delhi

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CIN: L70101HR1963PLC002484



The Chanakya, New Delhi

Fellow Shareholders, Ladies and Gentlemen,

On behalf of the Board of Directors, it gives me great pleasure to welcome you all to the 53rd Annual General Meeting of DLF Limited.

I would like to place on record my gratitude to all stakeholders for their consistent support to the management in formulating effective corporate strategies and taking business decisions that have enabled the Company to achieve many milestones in the past and to successfully navigate the challenges in the future, particularly in the evolving new regulatory environment.

Your Company's Annual Report for the year ended 31st March, 2018 along with Directors' Report and audited Financial Statements have already been shared with you, and I seek your permission to take them as read.

As you are well aware, the real estate development sector in India has been passing through a challenging period and the demand in the residential sector has been muted.

As I have been repeatedly emphasizing and advocating for several years now, the key to transforming India's future lies in recognizing the real estate sector as the principle engine of growth for the nation.

The housing and construction sector has a multiplier effect on the entire economy - it is the fourth largest employment generator and is a significant contributor to GDP, with studies showing that construction as a whole accounts for 11.39 percent of total economic output.

Moreover, every additional rupee invested in the housing sector results in an addition of ₹ 1.54 to GDP and, if household expenditure is also taken into consideration, the contribution adds up to ₹ 2.84.

India's urban population is expected to grow to about 600 million (comprising 40% of the country's population) by 2031 and 850 million (comprising 50% of the country's population) by 2051. The trend towards increasing urbanisation will certainly drive demand for real estate in major cities of the country. Your Company is well poised to capitalize on such business development opportunities as they evolve.

Reforms like RERA and GST are clearly having a positive impact on consumer confidence and your Company is well-positioned to benefit from the general turnaround. The Credit-Linked Subsidy Scheme for the middle-income group under the Pradhan Mantri Awas Yojna (PMAY) has received much impetus and is expected to improve demand for real estate products.

In the last couple of years, your Company has focused on completion of all ongoing projects. As a result, we have handed over several residential projects to the customers namely, The Crest (Gurugram), Skycourt (New Gurugram), Kings Court & Capital Greens (both New Delhi), The Valley (Panchkula) and The Hyde Park (New Chandigarh). Many families have already moved into these projects and we have initiated different activities on the sites to connect with our customers.

In order to further boost the confidence of the customers, your Company has strategically accelerated construction and completion of all launched projects vis-a-vis sales thereby building finished inventory. Your Company would endeavour to sell future projects once they have attained a degree of tangible progress.

In our strategy to create a resilient annuity model, your Company has entered into a strategic (67:33 approx.) partnership with GIC Singapore to develop a rental assets portfolio through its subsidiary DLF Cyber City Developers Limited (DCCDL). This partnership would create a leading platform to enable your Company to achieve sustainable and long-term growth and development of rental business in order to facilitate positioning of the annuity business on the path of accelerated growth. The leasing business of your Company is on a very strong trajectory. The leasing capacity will be further augmented with the completion of new development in Cyber Park, Gurugram & IT SEZ in Chennai.

Your Company's wholly-owned subsidiary has acquired a prime land parcel of 11.76 acres (approx.) in Udyog Vihar, Gurugram through e-auction conducted by HSIIDC which will add approximately 0.23 million square meter (msm), i.e. 2.5 million square feet (msf), in office space in Cybercity.

During FY 2018, your Company has opened another landmark destination mall "The Chanakya" in the heart of Lutyen's Delhi at Chanakypuri, New Delhi. Customers

can experience many international premium luxury brands. The Chanakya hosts the best of fashion, gourmet and entertainment under one roof in the heart of the national capital.

You will have noted that consolidated revenue in fiscal 18 was ₹ 7,664 crore with EBIDTA of ₹ 3,334 crore. Net profit was ₹ 4,477 crore, including one-time exceptional gain on account of fair valuation of DLF's residual stake in DCCDL. The earnings per share (EPS) for the year stood at ₹ 25.02.

Your Company's Balance Sheet as at 31st March, 2018 reflects a net worth of ₹ 35,359 crore. Sales revenue for the residential segment has been for a period of seven months only, as sales were closed for the balance period due to implementation and streamlining of operations as per the Real Estate (Regulation and Development) Act, 2016 (RERA).

Considering the growth prospects of the Company, the promoters have committed to invest ₹ 11,250 crore into the Company, out of which ₹ 9,000 crore have already been invested by way of Compulsorily Convertible Debentures (CCDs) and Warrants and the balance amount shall be invested in the next few months. Your Company endeavours to make itself net debt free on the development side of the business over the near term.

With the endeavour to create inclusive development, your Company has always tried to create long lasting value, be it for stakeholders or community development. Our CSR



DLF Cybercity Chennai 3.0 (Block 2)



The Skycourt, DLF Gardencity, New Gurugram