

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2011

(` in crores)

SL NO	PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
		30.9.2011 (Reviewed)	30.9.2010 (Reviewed)	30.9.2011 (Reviewed)	30.9.2010 (Reviewed)	31.3.2011 (Audited)
1	Sales and other receipts	2,532.41	2,369.02	4,978.23	4,397.55	9,560.57
2	Expenditure					
	a) Cost of land, plots, development rights and constructed properties	725.04	807.99	1,451.42	1,349.53	3,522.76
	b) Cost of revenue - others	221.58	206.19	437.40	398.30	777.18
	c) Staff cost	153.88	162.17	299.51	291.21	572.13
	d) Depreciation, amortisation and impairment	175.32	153.97	345.51	303.80	630.72
	e) Other expenditure	258.92	263.76	505.94	450.03	935.83
	Total	1,534.75	1,594.08	3,039.78	2,792.87	6,438.62
3	Profit before Other income & Interest (1-2)	997.67	774.94	1,938.45	1,604.69	3,121.95
4	Other income	44.75	150.85	102.16	282.95	583.88
5	Profit before interest (3+4)	1,042.42	925.79	2,040.61	1,887.64	3,705.83
6	Finance charges	526.30	433.76	1,022.71	822.20	1,705.62
7	Profit before tax (5-6)	516.12	492.03	1,017.90	1,065.44	2,000.21
8	Tax expense*	147.49	73.41	275.33	241.27	459.41
9	Net profit (before minority interest, share of profit/ (loss) in associates and prior period adjustments (7-8))	368.63	418.62	742.57	824.17	1,540.80
10	Minority interest - share of loss/ (profit)	0.04	(6.92)	(16.52)	(10.06)	(7.24)
11	Share of profit/ (loss) in associates	(0.46)	(0.05)	3.69	5.33	8.83
12	Net profit for the period (before prior period adjustments)	368.21	411.65	729.74	819.44	1,542.39
13	Prior period adjustments (net)	4.20	6.73	1.03	9.97	97.22
14	Net profit (12+13)	372.41	418.38	730.77	829.41	1,639.61
15	Paid up Equity Share Capital (face value ` 2 each)	339.63	339.49	339.63	339.49	339.51
16	Reserves excluding revaluation reserves	-	-	-	-	24,153.65
17	Basic EPS (`) (on ` 2 Per share) (not annualised)	2.19	2.46	4.30	4.89	9.66
18	Diluted EPS (`) (on ` 2 Per share) (not annualised)	2.19	2.46	4.30	4.88	9.64
19	Public Shareholding					
	- Number of shares	363,327,507	362,665,918	363,327,507	362,665,918	362,768,674
	- Percentage of shareholding	21.40%	21.37%	21.40%	21.37%	21.37%
20	Promoters and Promoter Group Shareholding					
	a) Pledged/Encumbered					
	Number of Shares	0	0	0	0	0
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	Percentage of Shares (as a % of the total share capital of the Company)	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered					
	Number of Shares	1,334,803,120	1,334,803,120	1,334,803,120	1,334,803,120	1,334,803,120
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the Company)	78.60%	78.63%	78.60%	78.63%	78.63%

* Tax expense include deferred tax

Notes to the Consolidated Financial Results

1. The above consolidated quarterly financial results includes the Profit/(loss) from the following major Non-Core business/ subsidiaries:

(₹ in Crores)

Name of Subsidiary/Business	For the quarter ended September. 30, 2011
DLF Pramerica Life Insurance Company Limited	(23.71)
Hotel business	(31.11)
Total	(54.82)

2. The above consolidated quarterly financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 10, 2011 and have undergone 'Limited Review' by the Statutory Auditors of the Company. The statutory auditors in their review report have qualified certain balances in translation reserve and accumulated losses of Silverlink Resorts Limited ("Silverlink") brought forward from the financial year ended 31 December, 2004 as these are yet to be fully reconciled. These reconciliations pertain to prior to acquisition of Silverlink by the Company. The management of Silverlink is of the opinion that these reconciliation, if any, will not have any impact on the net worth of the Company. Further, the difference, if any, in reconciliation will interalia, change only the balance in translation reserve and accumulated brought forward losses pertaining to pre acquisition of Silverlink.
3. The consolidated quarterly financial results have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standards (AS-21, AS-23 and AS-27) notified pursuant to the Companies (Accounting Standard) Rules, 2006 issued by the Central Government in exercise of the powers conferred under sub section (I) (a) of Section 642 of the Companies Act, 1956.
4. Dividend of Rs. 2 per share (100% on the face value of Rs. 2 per equity share) amounting to Rs.3,395,204,882 declared at 46th Annual General Meeting held on August 4, 2011 was disbursed from August 12, 2011 onwards.
5. The Group is primarily engaged in the business of colonization and real estate development, which as per Accounting Standard – 17 on "Segment Reporting" notified pursuant to the Companies (Accounting Standard) Rules, 2006 issued by the Central Government in exercise of the powers conferred under sub section (I) (a) of Section 642 of the Companies Act, 1956 is considered to be the only reportable business segment. The Group is primarily operating in India which is considered as a single geographical segment.
6. In terms of the accounting policies for Revenue recognition, estimates of projects costs and revenue are reviewed periodically by the management and the impact of any changes in such estimates are recognised in the period in which such changes are determined.

7. During the quarter, as per the Employee Stock Option Scheme 2006:
- (a) ₹ 9.21 crores has been provided as staff cost, according to the Guidance Note on Share based payments issued by the ICAI, as the proportionate cost of 5,693,428 number of options outstanding as on September 30, 2011.
- (b) The Company has allotted 5,58,833 equity shares of face value of ₹ 2 each to the eligible employees of the Company on account of exercise of vested stock options.
8. Consolidated quarterly results include total revenues of ₹ 80.12 crores and net loss of ₹ 27.68 crores of overseas subsidiary Silverlink Resorts Limited, (“Silverlink”), its subsidiaries, joint ventures and associates and Lodhi Property Company Limited (Lodhi) which is consolidated based on the financial statements for the quarter April 1, 2011 to June 30, 2011. No material event, affecting the financial results of the Silverlink and Lodhi has occurred during the period July 1, 2011 to September 30, 2011.

9. Statement of Assets and Liabilities

(₹ in crores)

Particulars	As on September 30, 2011	As on September 30, 2010
	(Reviewed)	(Reviewed)
Shareholder's funds		
Share Capital	2,149.89	2,423.14
Reserves and surplus	24,872.55	24,232.38
Minority Interests	616.00	601.86
Loan funds	25,449.84	23,238.81
TOTAL	53,088.28	50,496.19
Goodwill	1,508.64	1,276.91
Fixed Assets (including CWIP)	28,507.02	26,222.43
Deferred tax asset (net)	146.94	77.41
Investments	1,503.91	1,681.63
Current assets, loans and advances		
Stocks	15,233.84	14,397.40
Sundry debtors	1,954.00	1,917.70
Cash and bank balance	1,181.98	1,556.02
Loans and advances	8,057.24	7,547.65
Other current assets	7,936.10	4,733.66
Less: Current liabilities and provisions		
Current liabilities	9,104.89	5,162.16
Provisions	3,836.50	3,752.46
Net current assets	21,421.77	21,237.81
TOTAL	53,088.28	50,496.19

10. The Standalone quarterly results of the Company for the quarter ended September 30, 2011 are available on the Company's Website (www.dlf.in).

Key standalone financial information is given below:

(₹ in crores)

Particulars	Quarter ended		Half year ended		Year Ended
	September 30, 2011 (Reviewed)	September 30, 2010 (Reviewed)	September 30, 2011 (Reviewed)	September 30, 2010 (Reviewed)	March 31, 2011 (Audited)
Sales and other receipts	1,066.05	542.06	1,751.79	1,193.95	2,916.08
Profit before tax	442.82	167.93	567.78	419.00	1,555.21
Net profit	302.57	122.69	395.21	327.79	1,269.58

11. The weighted average number of equity shares outstanding during the period has been considered for calculating the Basic and Diluted Earning Per Share (not annualised) in accordance with AS – 20 “Earnings per share”.

12. **Income Tax and other matters:**

(a) As already reported in previous quarter, the Company and its two subsidiaries received Assessment Orders for Assessment Year 2008-09 from the Income Tax Authorities creating an additional demand of ₹ 1643.42 crs. on account of disallowance of SEZ profit under section 80IAB of Income Tax Act. The respective companies have challenged these order with the appropriate authorities.

Based on the advice from the independent tax experts, the Management is confident that the additional demand so created will not be sustained. Pending the order of the appellate authorities, no provision has been made in these consolidated financial results.

(b) During the year ended March 31, 2011, the Company and two of its subsidiaries received two judgments from the Hon’ble High Court of Punjab and Haryana cancelling the release/ sale deed of land relating to two IT SEZ/ IT Park Projects in Gurgaon. The Company and its subsidiaries have filed Special Leave petitions (SLPs) challenging the orders in the Hon’ble Supreme Court of India.

In one case, the Hon’ble Supreme Court has admitted the matter and stayed the operation of the impugned judgment till further orders.

In the other case, the Hon’ble Supreme Court has issued notices to the respondents. The State of Haryana has also filed an SLP against the impugned judgment of the Hon’ble Punjab & Haryana High Court.

Based on the advice of the independent legal counsel, the Company and its subsidiaries have a reasonably strong likelihood of succeeding before the Hon’ble Supreme Court. Pending the final decisions on the above matter, no adjustment has been done in these consolidated financial results

(c) The Competition Commission of India (CCI) on a complaint filed by the Belaire/ Park Place owners associations had passed orders dated 12.08.2011 and 29.8.11 wherein the CCI had imposed a penalty of Rs.630 crores on DLF, restrained DLF from formulating

and imposing allegedly unfair conditions with buyers in Gurgaon and further ordered to suitably modify the alleged unfair conditions on its buyers

The said orders of CCI is challenged by DLF on several grounds by filing appeals before the Competition Appellate Tribunal (COMPAT).

COMPAT after the hearing on 09.11.2011, has granted stay against the orders of CCI imposing penalty and have further ordered that the directions of CCI for modifications of terms of the Agreement shall remain in abeyance. The copy of the order is awaited.

The appeals are likely to be listed for further hearing in the second week of February 2012.

Pending the final decisions, no adjustment has been done in these consolidated financial results

13. Status of Investors Complaints (Nos): Opening Balance as on July 1, 2011 (Nil) Received during the quarter (18); Disposed off during the quarter (18); Closing balance as on September 30, 2011 (Nil).
14. The previous period figures have been regrouped/ recast wherever necessary to make them comparable with those of the current period.

On behalf of the Board of Directors

Place: New Delhi
Date: November 10, 2011

T. C. Goyal
Managing Director