

DLF Limited
Regd. Office: Shopping Mall 3rd Floor, Arjun Marg, Phase I DLF City, Gurgaon - 122 022 (Haryana)
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

(₹ in crores)

SL NO	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.3.2012 (Audited)	31.12.2011 (Reviewed)	31.3.2011 (Audited)	31.3.2012 (Audited)	31.3.2011 (Audited)
PART I						
1	Income from operations					
	Sales and other receipts	2,616.78	2,034.37	2,683.09	9,629.38	9,560.57
2	Expenses					
	a) Cost of land, plots, development rights and constructed properties	1,010.97	593.44	1,408.84	3,055.83	3,522.76
	b) Cost of revenue - others	257.39	216.86	190.64	911.65	777.18
	c) Employee benefit expenses	148.80	137.87	147.15	586.18	572.13
	d) Depreciation, amortisation and impairment	163.61	179.71	165.71	688.83	630.72
	e) Other expenses	402.01	263.47	270.25	1,171.41	935.83
	Total	1,982.78	1,391.35	2,182.59	6,413.90	6,438.62
3	Profit from operations before other income and finance costs (1-2)	634.00	643.02	500.50	3,215.48	3,121.95
4	Other income	130.67	361.65	186.63	594.48	583.88
5	Profit from operations before finance costs (3+4)	764.67	1,004.67	687.13	3,809.96	3,705.83
6	Finance costs	603.89	619.88	455.70	2,246.48	1,705.62
7	Profit from operations after finance costs but before exceptional items (5-6)	160.78	384.79	231.43	1,563.48	2,000.21
8	Exceptional Items	15.98	-	-	15.98	-
9	Profit from operations before tax (7-8)	144.80	384.79	231.43	1,547.50	2,000.21
10	Tax expense*	(41.29)	135.30	15.55	369.35	459.41
11	Net profit (before minority interest, share of in associates and prior period adjustments (9-10))	186.09	249.49	215.88	1,178.15	1,540.80
12	Minority interest - share of loss/ (profit)	4.15	10.87	31.23	(1.50)	(7.24)
13	Share of profit/ (loss) in associates	31.60	(1.65)	3.70	33.64	8.83
14	Net profit for the period (before prior period adjustments)	221.84	258.71	250.81	1,210.29	1,542.39
15	Prior period adjustments (net)	(10.14)	(0.36)	93.73	(9.47)	97.22
16	Net profit (14+15)	211.70	258.35	344.54	1,200.82	1,639.61
17	Paid up Equity Share Capital (face value ₹ 2 each)	339.65	339.65	339.51	339.65	339.51
18	Reserves excluding revaluation reserves	-	-	-	25,020.61	24,153.65
19	Basic EPS (₹) (on ₹ 2 Per share) (not annualised)	1.25	1.52	2.03	7.07	9.66
20	Diluted EPS (₹) (on ₹ 2 Per share) (not annualised)	1.24	1.52	2.03	7.06	9.64
PART II - Select information for the quarter and year ended March 31, 2012						
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- Number of shares	363,582,599	363,459,958	362,768,674	363,582,599	362,768,674
	- Percentage of shareholding	21.41%	21.40%	21.37%	21.41%	21.37%
2	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%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the Company)	78.59%	78.60%	78.63%	78.59%	78.63%
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	1				
	Received during the quarter	17				
	Disposed during the quarter	18				
	Remaining unresolved at the end of the quarter	Nil				

* Tax expense include deferred tax

Notes to the Consolidated Financial Results

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

(₹ in Crores)

Name of Subsidiary/Business	For the quarter ended March 31, 2012	For the year ended March 31, 2012
DLF Pramerica Life Insurance Company Limited	(26.51)	(91.48)
Hotel business	(49.53)	(138.01)
Total	(76.04)	(229.49)

2. The above consolidated quarterly and annual financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2012 and have been audited by the Statutory Auditors of the Company. Figures for the quarters ended March 31, 2011 and 2012 represents the balancing figures between the audited figures for the full financial year and the published year to date figures upto the third quarter of the respective financial year.
3. The statutory auditors of one of the subsidiary company namely Silverlink Resorts Limited ('Silverlink') in their audit report have qualified certain balances in translation reserve and accumulated losses brought forward from the financial year ended December 31, 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 this 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 prior to acquisition of Silverlink. Further auditor of Silverlink has qualified carrying amount of a Hotel property valued at USD 9.3 mn (₹ 47.6 crores) (previous year valued at USD 7.5 mn) stating that basis of assumption and estimates are unlikely to be achieved. Management of Silverlink based on their future business plan and valuation report of an independent valuer of international repute (which has been used by management for all its hotel valuations over the past many years) believes that the assumptions are fair and achievable and does not require any adjustment in the financial statements.
4. The Board of Directors have recommended a dividend of ₹ 2 per share (100%) on equity shares of ₹ 2/- each, for the financial year ended March 31, 2012, for the approval of shareholders.

5. The consolidated quarterly and annual 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.
6. 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.
7. In terms of the accounting policy 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.
8. During the quarter, as per the Employee Stock Option Scheme 2006:
 - (a) ₹ 5.38 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 5,503,835 numbers of options outstanding as on March 31, 2012.
 - (b) The Company has allotted 122,641 equity shares of face value of ₹ 2 each to the eligible employees of the Company on account of exercise of vested stock options.
9. Consolidated quarterly and annual financial results include total revenues of ₹ 129.96 crores and net loss after tax of ₹ 26.59 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 October 01, 2011 to December 31, 2011. In the opinion of the management, no material event, affecting the financial results of the Silverlink and Lodhi has occurred during the period January 1, 2012 to March 31, 2012.

10. Statement of Assets and Liabilities:

(₹ in crores)

Particulars	As on March 31, 2012	As on March 31, 2011
A. Equity and Liabilities	(Audited)	(Audited)
1 Shareholders' funds		
(a) Share capital	2,138.88	2,149.78
(b) Reserves and surplus	25,097.04	24,182.32
Sub-total - Shareholders' funds	27,235.92	26,332.10
2. Minority interests	420.67	575.20
3. Non-current liabilities		
(a) Long-term borrowings	16,824.16	18,307.63
(b) Other long-term liabilities	2,321.78	2,442.01
(c) Long-term provisions	48.52	31.21
Sub-total - Non-current liabilities	19,194.46	20,780.85
4. Current liabilities		
(a) Short-term borrowings	3,398.74	3,344.53
(b) Trade payables	2,580.70	2,263.63
(c) Other current liabilities	9,804.30	6,857.66
(d) Short-term provisions	754.65	663.75
Sub-total - Current liabilities	16,538.39	13,129.56
Total – Equity and Liabilities	63,389.44	60,817.71
B. Assets		
1. Non-current assets		
(a) Fixed assets	27,706.85	28,106.54
(b) Goodwill on consolidation	1,624.79	1,384.04
(c) Non-current investments	973.28	715.24
(d) Deferred tax assets (net)	334.93	163.28
(e) Long-term loans and advances	3,146.25	2,017.29
(f) Other non-current assets	144.10	187.66
Sub-total - Non-current assets	33,930.20	32,574.06
2 Current assets		
(a) Current investments	153.49	280.53
(b) Inventories	16,175.57	15,038.76
(c) Trade receivables	1,765.91	1,565.97
(d) Cash and cash equivalents	1,506.23	1,321.78
(e) Short-term loans and advances	2,027.87	2,149.16
(f) Other current assets	7,830.17	7,887.45
Sub-total - Current assets	29,459.24	28,243.65
Total – Assets	63,389.44	60,817.71

11. The Standalone financial results of the Company for the quarter and year ended March 31, 2012 are available on the Company's Website (www.dlf.in).

Key standalone financial information is given below:

(₹ in crores)

Particulars	Quarter and period Ended			Year Ended	
	March 31, 2012 (audited)	March 31, 2011 (audited)	December 31, 2011 (Reviewed)	March 31, 2012 (audited)	March 31, 2011 (audited)
Sales and other receipts	985.99	753.54	846.96	3,491.32	2,916.08
Profit before tax	456.67	483.25	832.42	1,507.70	1,555.21
Net profit	290.87	355.70	736.94	1,041.78	1,269.58

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

13. Income Tax and other matters:

- (a) Subsequent to the quarter ended March 31, 2012, the Company received an assessment order for A.Y. 2009-10 from the Income tax authority, creating a demand of ₹ 457.39 crores, out of which, ₹ 355.24 crores pertains to demand on account of disallowance of SEZ profits U/s 80IAB of the Income Tax Act.

As already reported in the last quarter, similar disallowance of SEZ profits were made by the Income Tax Authorities for the company and its subsidiaries amounting to ₹ 1031.90 crores for the assessment year 2009-10 and ₹ 1643.42 crores for assessment year 2008-09,

The Company and the respective subsidiary companies have filed appeals before the appropriate Appellate Authorities against the said assessment orders.

Based on the advice from independent tax experts, the Company and the subsidiary companies are confident that additional tax so demanded will not be sustained on completion of the appellate proceedings and accordingly, pending the decision by the appellate authorities, no provision has been made in these consolidated annual and quarterly financial results.

- (b) During the year ended March 31, 2011, the Company and two of its subsidiary companies 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 the subsidiary companies 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.

The second case was listed on January 3, 2012 and the Hon'ble Supreme Court has granted a stay.

Based on the advice of the independent legal counsels, the Company and its subsidiary companies 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 August 12, 2011 and August 29, 2011 wherein the CCI had imposed a penalty of ₹ 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 November 9, 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 appeals are scheduled to be listed before COMPAT on July 18th, 2012 for final hearing. Pending the final decisions, no adjustment has been done in these quarterly financial results.

14. During the quarter ended March 31, 2012, the Order of the Hon'ble High Court of Punjab & Haryana at Chandigarh sanctioning the scheme of Amalgamation of (1) Bhoruka Financial Services Limited (2) DLF Metro Limited (3) Shakirah Real Estates Private Limited with DLF Universal Limited (all subsidiary of DLF Limited) has been filed with Registrar of Company, NCT of Delhi and Haryana on March 20, 2012 and accordingly the effect of the same has been taken in the above consolidated quarterly financial results.

15. **Disinvestment in JV Companies**

Galaxy Mercantiles Ltd. ("GML"), a JV Company of DLF Home Developers Limited, a wholly owned subsidiary of DLF Ltd. ("DHDL"), received two tranches of infusion of capital from Infrastructure Development Finance Company Limited ("IDFC") as part of a process for IDFC to acquire 100% stake in the GML. An aggregate amount of ₹ 220.49 crs. has been received in two tranches by the JV partners including DHDL, with the balance to be received from IDFC linked to leasing milestones. Prior to the infusion, DHDL had a 71% equity stake in GML and consequent to this capital infusion, DHDL's equity stake got diluted to 40.15% (Post 2nd Tranche) and GML ceased to be a subsidiary of the Company w.e.f December 2, 2011.

16 ICRA has assigned the long-term rating of "[ICRA]A" (pronounced ICRA A) to the ₹ 4,000 crore NCD programme, & ₹ 12,832 crore Line of Credit of DLF Limited (DLF) vide letter dated March 20 & 22 2012.

Further ICRA has assigned the long-term rating of "[ICRA]A" [SO] for ₹ 3,382 crore line of Credit of various DLF subsidiaries vide letter dated March 30 2012.

17 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: May 30, 2012

T. C. Goyal
Managing Director