DLF Limited
Regd. Office:Shopping Mall 3rd Floor, Arjun Marg, Phase I DLF City, Gurgaon - 122 022 (Haryana)

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2012

(₹ in crores)

SL NO	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.6.2012 (Reviewed)	30.6.2011 (Reviewed)	31.3.2012 (Audited)	31.3.2012 (Audited)
PART I					
1	**Income from operations**				
	Sales and other receipts	2,197.71	2,445.82	2,616.78	9,629.38
2	**Expenses**				
	a) Cost of land, plots, development rights, constructed properties and others	644.15	942.20	1,268.36	3,967.48
	b) Employee benefit expenses	140.64	145.63	148.80	586.18
	c) Depreciation, amortisation and impairment	178.59	170.19	163.61	688.83
	d) Other expenses	345.88	247.02	402.01	1,171.41
	Total	**1,309.26**	**1,505.04**	**1,982.78**	**6,413.90**
3	**Profit from operations before other income and finance costs (1-2)**	**888.45**	**940.78**	**634.00**	**3,215.48**
4	Other income	131.14	57.41	130.67	594.48
5	**Profit from operations before finance costs (3+4)**	**1,019.59**	**998.19**	**764.67**	**3,809.96**
6	Finance costs	622.60	496.41	603.89	2,246.48
7	**Profit from operations after finance costs but before exceptional items (5-6)**	**396.99**	**501.78**	**160.78**	**1,563.48**
8	Exceptional Items	-	-	15.98	15.98
9	**Profit from operations before tax (7-8)**	**396.99**	**501.78**	**144.80**	**1,547.50**
10	Tax expense*	113.71	127.84	(41.29)	369.35
11	**Net profit (before minority interest, share of in associates and prior period adjustments (9-10))**	**283.28**	**373.94**	**186.09**	**1,178.15**
12	Minority interest - share of loss/ (profit)	7.43	(16.56)	4.15	33.64
13	Share of profit/ (loss) in associates	3.56	4.15	31.60	(1.50)
14	**Net profit for the period (before prior period adjustments)**	**294.27**	**361.53**	**221.84**	**1,210.29**
15	Prior period adjustments (net)	(1.48)	(3.17)	(10.14)	(9.47)
16	**Net profit (14+15)**	**292.79**	**358.36**	**211.70**	**1,200.82**
17	Paid up Equity Share Capital (face value ₹ 2 each)	339.69	339.51	339.68	339.68
18	Reserves excluding revaluation reserves	-	-	-	25,020.61
19	Basic EPS (₹) (on ₹ 2 Per share) (not annualised)	1.72	2.11	1.25	7.07
20	Diluted EPS (₹) (on ₹ 2 Per share) (not annualised)	1.72	2.11	1.24	7.06
PART II - Select information for the quarter ended June 30, 2012					
A	**PARTICULARS OF SHAREHOLDING**				
1	Public Shareholding				
	- Number of shares	363,625,473	362,768,674	363,582,599	363,582,599
	- Percentage of shareholding	21.41%	21.37%	21.41%	21.41%
2	Promoters and Promoter Group Shareholding				
	a) Pledged/Encumbered				
	Number of Shares	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%
	Percentage of Shares (as a % of the total share capital of the Company)	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
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the Company)	78.59%	78.63%	78.59%	78.59%

B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed during the quarter	Nil
	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 financial results includes the profit (loss) from the following major Non-Core business/ subsidiaries:

(₹ in Crores)

Name of Subsidiary/Business	For the quarter ended June 30, 2012
DLF Pramerica Life Insurance Company Limited	(28.13)
Hotel business	(1.58)
Total	**(29.71)**

2. The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 6, 2012 and have undergone 'Limited Review' by the Statutory Auditors of the Company.

3. The statutory auditors of one of the subsidiary company namely Silverlink Resorts Limited ('Silverlink') in their 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 (₹ 52.37 crores) (as at March 31, 2011 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 of the subsidiary.

4. The consolidated 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.

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 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.

The Company obtained approval of significant additional area in one of its existing residential projects during the quarter. Considering the stage at which this project was, inclusion of this additional area for Percentage of Completion Method (PoCM) computations, prepared in line with the stated accounting policy with respect to recognition of revenues from constructed properties and related costs has resulted in a disproportionate reduction in construction costs for this quarter.

7. The Company re-assessed its accounting policy in respect of accruals for Timely Payment Rebate ('TPR') to customers, and with effect from April 1, 2012 has decided to recognize the entire liability for the same upon fulfillment by the respective customers of their complete obligations to receive the TPR as set out in the agreement to sell, as against the previous policy of recognizing these liabilities upon the Company's formal acknowledgment of the TPR to the customer. Management is of the opinion that this change has resulted in a more representative presentation of the financial obligations of the Company with respect to TPRs.

Had the Company continued to follow the previous accounting policy with respect to accrual for TPRs as enumerated above, revenues and the net profit after tax for the quarter ended June 30, 2012 would have been higher by ₹ 35.39 crores and ₹ 23.91 crores respectively.

8. During the quarter, as per the Employee Stock Option Scheme 2006:

(a) ₹ 5.03 crores has been provided as employee benefit expenses, according to the Guidance Note on Share based payments issued by the ICAI, as the proportionate cost of 5,338,721 numbers of options outstanding as on June 30, 2012.

(b) The Company has allotted 42,874 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 financial results include total revenues of ₹ 141.55 crores and net loss after tax of ₹ 2.29 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 January 1, 2012 to March 31, 2012. In the opinion of the management, no material event, affecting the financial results of the Silverlink and Lodhi has occurred during the period April 1, 2012 to June 30, 2012.

10. The Standalone financial results of the Company for the quarter and year ended June 30, 2012 are available on the Company's Website (www.dlf.in).

Key standalone financial information is given below:

(₹ in crores)

Particulars	Quarter Ended			Year Ended
	June 30, 2012 (Reviewed)	**June 30, 2011 (Reviewed)**	**March 31, 2012 (Audited)**	**March 31, 2012 (Audited)**
Sales and other receipts	792.35	685.74	985.99	3,491.32
Profit before tax	539.13	124.96	456.67	1,507.70
Net profit	367.15	92.64	290.87	1,041.78

11. 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".

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

(a) As already reported, in the earlier quarter(s), disallowance of SEZ profits u/s 80IAB of the Income Tax Act were made by the Income Tax Authorities for the Company and its certain subsidiaries amounting to ₹ 1,387.14 crores for the assessment year 2009-10 and ₹ 1,643.42 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 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 are 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 October 4, 2012 for final hearing. Pending the final decisions, no adjustment has been done in these consolidated financial results.

13. Subject to the other necessary approvals from the concerned authorities, shareholders of the Company and one of its subsidiary company have authorized the Board of the Directors to sell, transfer or otherwise dispose off, the whole of the Company's and Subsidiary Company's Wind Power Business which consist of two undertakings each 'as going concern(s)' on 'as is where is' basis by way of slump-sale or otherwise.

Since no agreement has yet entered into for selling the Company's/Subsidiary Company's Wind Power business, the Company and its subsidiary continue to recognised revenue from Wind Power Business in these consolidated financial results (Revenue ₹ 68.65 Crores, Net profit after tax ₹ 14.23 Crores).

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 T. C. Goyal
Date: August 6, 2012 Managing Director