

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2012

(₹ in crores)

SL NO	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.9.2012 (Reviewed)	30.6.2012 (Reviewed)	30.9.2011 (Reviewed)	30.9.2012 (Reviewed)	30.9.2011 (Reviewed)	31.3.2012 (Audited)
PART I							
1	Income from operations						
	Sales and other receipts	2,039.54	2,197.71	2,532.41	4,237.25	4,978.23	9,629.38
2	Expenses						
	a) Cost of land, plots, development rights, constructed properties and others	872.48	644.15	946.62	1,516.63	1,888.82	3,967.48
	b) Employee benefit expenses	155.36	140.64	153.88	296.00	299.51	586.18
	c) Depreciation, amortisation and impairment	183.71	178.59	175.32	362.30	345.51	688.83
	d) Other expenses	265.34	345.88	258.92	611.22	505.94	1,171.41
	Total	1,476.89	1,309.26	1,534.74	2,786.15	3,039.78	6,413.90
3	Profit from operations before other income and finance costs (1-2)	562.65	888.45	997.67	1,451.10	1,938.45	3,215.48
4	Other income	117.31	131.14	44.75	248.45	102.16	594.48
5	Profit from operations before finance costs (3+4)	679.96	1,019.59	1,042.42	1,699.55	2,040.61	3,809.96
6	Finance costs #	522.42	622.60	526.30	1,145.02	1,022.71	2,246.48
7	Profit from operations after finance costs but before exceptional items (5-6)	157.54	396.99	516.12	554.53	1,017.90	1,563.48
8	Exceptional Items	-	-	-	-	-	15.98
9	Profit from operations before tax (7-8)	157.54	396.99	516.12	554.53	1,017.90	1,547.50
10	Tax expense*	39.38	113.71	147.49	153.09	275.33	369.35
11	Net profit (before minority interest, share of in associates and prior period adjustments (9-10))	118.16	283.28	368.63	401.44	742.57	1,178.15
12	Minority interest - share of loss/ (profit)	11.57	7.43	0.04	19.00	(16.52)	33.64
13	Share of profit/ (loss) in associates	(0.20)	3.56	(0.46)	3.36	3.69	(1.50)
14	Net profit for the period (before prior period adjustments)	129.53	294.27	368.21	423.80	729.74	1,210.29
15	Prior period adjustments (net)	8.98	(1.48)	4.20	7.50	1.03	(9.47)
16	Net profit (14+15)	138.51	292.79	372.41	431.30	730.77	1,200.82
17	Paid up Equity Share Capital (face value ₹ 2 each)	339.71	339.69	339.63	339.71	339.63	339.68
18	Reserves excluding revaluation reserves	-	-	-	-	-	25,020.61
19	Basic EPS (₹) (on ₹ 2 Per share) (not annualised)	0.82	1.72	2.19	2.54	4.30	7.07
20	Diluted EPS (₹) (on ₹ 2 Per share) (not annualised)	0.81	1.72	2.19	2.53	4.30	7.06
PART II - Select information for the quarter ended September 30, 2012							
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of shares	36,37,60,809	36,36,25,473	36,33,27,507	36,37,60,809	36,33,27,507	36,35,82,599
	- Percentage of shareholding	21.42%	21.41%	21.40%	21.42%	21.40%	21.41%
2	Promoters and Promoter Group Shareholding						
	a) Pledged/Encumbered						
	Number of Shares	0	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%	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%	0.00%
	b) Non-encumbered						
	Number of Shares	1,33,48,03,120	1,33,48,03,120	1,33,48,03,120	1,33,48,03,120	1,33,48,03,120	1,33,48,03,120
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the Company)	78.58%	78.59%	78.60%	78.58%	78.60%	78.59%
B	INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	5					
	Disposed during the quarter	5					
	Remaining unresolved at the end of the quarter	Nil					

Interest cost amounting to ₹ 30.59 crores relating to prior quarter is capitalised in the project cost during the quarter

* Tax expense include deferred tax

Notes to the Consolidated Financial Results

1. The above consolidated 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, 2012
DLF Pramerica Life Insurance Company Limited	(25.00)
Hotel business	(57.88)
Total	(82.88)

2. The consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 12, 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 for the period ended June 30, 2012 have qualified the following:
- 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 prior to acquisition of Silverlink by the Company. The management of Silverlink is of the opinion that reconciliation, if any, will not have any impact on the net worth of the Company. Further, the difference, if any, in reconciliation will inter alia, change only the balance in translation reserve and accumulated brought forward losses pertaining to prior to acquisition of Silverlink.
 - Carrying amount (book value) of a Hotel property valued at USD 9.3 mn (INR 49.01 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 (who have undertaken all hotel valuations for Silverlink over many years) believes that the assumptions are fair and achievable and does not require any adjustment in the financial statements of Silverlink .
 - Recoverability of debts amounting to USD 1.23 mn (INR 6.49 crores) (net off Minority). Management of Silverlink believes that debts are in ordinary course of business and will be realized in due course
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. Dividend of Rs. 2 per share (100% on the face value of Rs. 2 per equity share) amounting to Rs. 3,39,71,27,858 declared at 47th Annual General Meeting held on September 07, 2012 was disbursed from September 14, 2012 onwards.
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 revenues 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) ₹ 9.46 crores has been provided as employee benefit expenses, as the proportionate cost of 49,64,527 numbers of options outstanding as on September 30, 2012.
 - (b) The Company has allotted 135,336 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 includes total assets of ₹ 2,508.11 crores as at September 30, 2012, total revenues of ₹ 93.60 crores and net loss after tax of ₹ 27.72 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, 2012 to June 30, 2012. In the opinion of the management, no material event, affecting the financial results of the Silverlink and Lodhi has occurred during the period July 1, 2012 to September 30, 2012.

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10. Statement of Assets and Liabilities

(₹ in crores)

Particulars	As on September 30, 2012	As on March 31, 2012
A. Equity and Liabilities	(Reviewed)	(Audited)
1 Shareholders' funds		
(a) Share capital	2,138.91	2,138.88
(b) Reserves and surplus	25,515.41	25,097.04
Sub-total - Shareholders' funds	27,654.32	27,235.92
2. Share application money pending allotment	0.01	0.00
3. Minority interests	410.91	420.67
4. Non-current liabilities		
(a) Long-term borrowings	16,223.28	16,824.16
(b) Other long-term liabilities	2,228.69	2,321.78
(c) Long-term provisions	58.18	48.52
Sub-total - Non-current liabilities	18,510.15	19,194.46
5. Current liabilities		
(a) Short-term borrowings	3,374.52	3,398.74
(b) Trade payables	2,340.70	2,580.70
(c) Other current liabilities	12,362.92	9,804.30
(d) Short-term provisions	206.18	754.65
Sub-total - Current liabilities	18,284.32	16,538.39
Total – Equity and Liabilities	64,859.71	63,389.44
B. Assets		
1. Non-current assets		
(a) Fixed assets	27,908.90	27,706.86
(b) Goodwill on consolidation	1,605.20	1,624.79
(c) Non-current investments	1,068.81	973.28
(d) Deferred tax assets (net)	351.33	334.93
(e) Long-term loans and advances	3,170.98	3,146.24
(f) Other non-current assets	169.89	144.10
Sub-total - Non-current assets	34,275.11	33,930.20
2 Current assets		
(a) Current investments	211.02	153.49
(b) Inventories	16,635.44	16,175.57
(c) Trade receivables	1,654.07	1,765.91
(d) Cash and cash equivalents	1,380.03	1,506.23
(e) Short-term loans and advances	1,977.28	2,027.87
(f) Other current assets	8,726.76	7,830.17
Sub-total - Current assets	30,584.60	29,459.24
Total – Assets	64,859.71	63,389.44

11. The Standalone financial results of the Company for the quarter and year ended September 30, 2012 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, 2012 (Reviewed)	June 30, 2012 (Reviewed)	September 30, 2011 (Reviewed)	September 30, 2012 (Reviewed)	September 30, 2011 (Reviewed)	March 31, 2012 (Audited)
Sales and other receipts	356.07	792.35	1,066.05	1,148.42	1,751.79	3,491.32
Profit/(Loss) before tax	(42.19)	539.13	442.82	496.94	567.78	1,507.70
Net profit	(19.54)	367.15	302.57	347.61	395.21	1,041.78

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) 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 in the Assessments of the Company and its certain subsidiaries raising demands amounting to Rs. 1,387.14 crores for the assessment year 2009-10 and Rs. 1,643.42 crores for the assessment year 2008-09.

The Company and the respective subsidiary companies had filed appeals before the appropriate appellate authorities against these demands for the said assessment years.

Based on the advice from independent tax experts and the development on the appeals, the management is 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 the 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.

The Hon'ble Supreme Court has admitted the matters and stayed the operation of the impugned judgment till further orders in both the cases.

Based on the advice of the independent legal counsels, the management believes that there is 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 November 21, 2012 for final hearing. Pending the final decisions, no adjustment has been done in these consolidated financial results.

14. During the quarter ended September 30, 2012, the Orders of the Hon'ble High Court of Punjab & Haryana at Chandigarh and Hon'ble High Court of Delhi at New Delhi sanctioning the scheme of Amalgamation of (1) Adelle Builders & Developers Private Limited (2) Catriona Builders & Constructions Private Limited (3) Delanco Real Estate Private Limited (4) DLF Comfort Hotels Private Limited (5) DLF Financial Services Limited (6) DLF Haryana SEZ (Ambala) Limited (7) DLF Haryana SEZ (Gurgaon) Limited (8) DLF Homes Ambala Private Limited (9) DLF India Limited (10) DLF New Delhi Convention Centre Limited (11) Nilayam Builders & Developers Limited with DLF Universal Limited (all subsidiaries of DLF Limited) has been filed with Registrar of Company, NCT of Delhi and Haryana on September 28, 2012 and accordingly the effect of the same has been taken in the above consolidated financial results
15. Subsequent to the quarter ended September 30, 2012, the Company along with its two wholly-owned subsidiaries, divested its entire stake in Jawala Real Estate Pvt. Ltd. (Jawala) (a wholly-owned subsidiary company) for an enterprise value of Rs. 2727 crores. Upon completion of this transaction, Jawala has ceased to be a subsidiary of the Company w.e.f November 01, 2012.
16. 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, 12, 2012

T. C. Goyal
Managing Director