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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2012

(₹ in crores)

SL NO	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		31.12.2012 (Reviewed)	30.9.2012 (Reviewed)	31.12.2011 (Reviewed)	31.12.2012 (Reviewed)	31.12.2011 (Reviewed)	31.3.2012 (Audited)
PART I							
1	**Income from operations**						
	Sales and other receipts	1,310.04	2,039.54	2,034.37	5,547.29	7,012.60	9,629.38
2	**Expenses**						
	a) Cost of land, plots, development rights, constructed properties and others	788.44	872.48	810.30	2,305.07	2,699.12	3,967.48
	b) Employee benefit expenses	154.81	155.36	137.87	450.81	437.38	586.18
	c) Depreciation, amortisation and impairment	247.88	183.71	179.71	610.18	525.22	688.83
	d) Other expenses	279.77	265.34	263.47	890.99	769.41	1,171.41
	Total	**1,470.90**	**1,476.89**	**1,391.35**	**4,257.05**	**4,431.13**	**6,413.90**
3	**Profit from operations before other income and finance costs (1-2)**	**(160.86)**	**562.65**	**643.02**	**1,290.24**	**2,581.47**	**3,215.48**
4	Other income	981.21	117.31	361.65	1,229.66	463.81	594.48
5	**Profit from operations before finance costs (3+4)**	**820.35**	**679.96**	**1,004.67**	**2,519.90**	**3,045.28**	**3,809.96**
6	Finance costs	580.85	522.42	619.88	1,725.87	1,642.59	2,246.48
7	**Profit from operations after finance costs but before exceptional items (5-6)**	**239.50**	**157.54**	**384.79**	**794.03**	**1,402.69**	**1,563.48**
8	Exceptional Items	-	-	-	-	-	15.98
9	**Profit from operations before tax (7-8)**	**239.50**	**157.54**	**384.79**	**794.03**	**1,402.69**	**1,547.50**
10	Tax expense*	(8.38)	39.38	135.30	144.71	410.63	369.35
11	**Net profit (before minority interest, share of in associates and prior period adjustments (9-10))**	**247.88**	**118.16**	**249.49**	**649.32**	**992.06**	**1,178.15**
12	Minority interest - share of loss/ (profit)	43.03	11.57	10.87	62.03	(5.65)	33.64
13	Share of profit/ (loss) in associates	(2.47)	(0.20)	(1.65)	0.89	2.04	(1.50)
14	**Net profit for the period (before prior period adjustments)**	**288.44**	**129.53**	**258.71**	**712.24**	**988.45**	**1,210.29**
15	Prior period adjustments (net)	(3.64)	8.98	(0.36)	3.86	0.67	(9.47)
16	**Net profit (14+15)**	**284.80**	**138.51**	**258.35**	**716.10**	**989.12**	**1,200.82**
17	Paid up Equity Share Capital (face value ₹ 2 each)	339.73	339.71	339.65	339.73	339.65	339.68
18	Reserves excluding revaluation reserves	-	-	-	-	-	25,020.61
19	Basic EPS (₹) (on ₹ 2 Per share) (not annualised)	1.68	0.82	1.52	4.22	5.83	7.07
20	Diluted EPS (₹) (on ₹ 2 Per share) (not annualised)	1.67	0.81	1.52	4.21	5.81	7.06
PART II - Select information for the quarter ended December 31, 2012							
A	**PARTICULARS OF SHAREHOLDING**						
1	Public Shareholding						
	- Number of shares	36,38,64,386	36,37,60,809	36,34,59,958	36,38,64,386	36,34,59,958	36,35,82,599
	- Percentage of shareholding	21.42%	21.42%	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%	78.58%	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

* Tax expense include deferred tax

<u>**Notes to the Consolidated Financial Results**</u>

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

(₹ in Crores)

Name of Subsidiary/Business	For the quarter ended December 31, 2012
DLF Pramerica Life Insurance Company Limited	30.56
Hotel business	94.72
Total	**125.28**

2. The consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 14, 2013 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 September 30, 2012 have qualified the following matters:

   - 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 interalia, 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 50.94 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 1.08 mn (INR 5.93 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. 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 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. Wherever projects are nearing completion, their cost budgets are adjusted to reflect the final cost to completion.

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

   (a) ₹ 8.71 crores has been provided as employee benefit expenses, as the proportionate cost of 48,07,346 numbers of options outstanding as on December 31, 2012.

   (b) The Company has allotted 103,577 equity shares of face value of ₹ 2 each to the eligible employees of the Company on account of exercise of vested stock options.

8. (a) Consolidated financial results includes total revenues of ₹ 87.60 crores and net loss before tax of ₹ 8.92 crores and tax expense of ₹ 0.43 crore of overseas subsidiary Silverlink Resorts Limited, ("Silverlink"), its subsidiaries, joint ventures and associates and total revenues of ₹ 15.48 crores and net loss after tax of ₹ 19.45 crores of Lodhi Property Company Limited (Lodhi); both are consolidated based on the financial statements for the quarter July 1, 2012 to September 30, 2012. In the opinion of the management except as given in (b) below, no material event, affecting the financial results of the Silverlink and Lodhi has occurred during the period October 1, 2012 to December 31, 2012.

   (b) DLF Global Hospitality Ltd. "DGHL", 100 percent step-down subsidiary of DLF Ltd., and M/s. Mahaman Assets Limited has entered into Share Purchase Agreement on December 12, 2012 to sell DGHL's 100% shareholding in Silverlink at an enterprise value of approximately USD 300 Mn. This is considered as an Initial Disclosure event for the discontinued operations. As the transaction is slated for final closure by end of February 2013 and is subject to usual closing conditions, no effect of the same has been taken in these consolidated financial results. Pursuant to the terms of the Share Purchase Agreement, management foresees an estimated loss of ₹ 65 crores, which has been recorded as an impairment of goodwill created on Silverlink consolidation.

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

Key standalone financial information is given below:

(₹ in crores)

Particulars	**Quarter Ended**			**Nine Month Ended**		**Year Ended**
	December 31, 2012 (Reviewed)	**September 30, 2012 (Reviewed)**	**December 31 2011 (Reviewed)**	**December 31, 2012 (Reviewed)**	**December 31, 2011 (Reviewed)**	**March 31, 2012 (Audited)**
Sales and other receipts	184.43	356.07	753.54	1,332.85	2,505.33	3,491.32
Profit/(Loss) before tax	(74.19)	(42.19)	483.25	422.75	1,051.03	1,507.70
Net profit	(42.11)	(19.54)	355.70	305.50	750.91	1,041.78

10. 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".

11. **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 ₹ 1,387.14 crores for the assessment year 2009-10 and ₹ 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 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 had 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 has granted stay against the orders of CCI imposing penalty. During subsequent hearings they have further ordered that the directions of CCI for modifications of terms of the Agreement shall remain in abeyance.

The appeals are part heard and are listed before COMPAT on February 20, 2013 for final hearing. Pending the final decisions, no adjustment has been done in these consolidated financial results.

12. During the quarter ended December 31, 2012, the Orders of the Hon'ble High Court of Delhi at New Delhi and Hon'ble High Court of Punjab & Haryana at Chandigarh sanctioning the Schemes of Amalgamation of 15 companies with DLF Home Developers Limited (all subsidiary of DLF Limited) and 3 companies with Saket Courtyard Hospitality Private Limited (all JV companies of DLF Limited) have been filed with Registrar of Companies, NCT of Delhi & Haryana and accordingly the effect of the same has been taken in these consolidated financial results.

13. 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). Consequent to divestment, Jawala has ceased to be a subsidiary of the Company w.e.f November 01, 2012. Profit before tax on disposal of its investment amounting to ₹ 838.54 crores is classified as 'other income' in these consolidated financial Results.

14. The company has entered into definitive Business Transfer Agreement with BLP Vayu (Project 1) Pvt. Ltd., a subsidiary of Bharat Light & Power Pvt. Ltd. for transferring of its undertaking comprising of 150 MW capacity wind turbines situated at Kutch, Gujarat on 'as is where is basis' by way of slump-sale for a lump sum consideration of ₹ 282.30 Crores. Subject to the fulfillment of the terms and conditions by both the parties in accordance with the said agreement, the said undertaking including related assets and liabilities along with relevant long term loans would be transferred to BLP Vayu (Project 1) Pvt. Ltd. As the transaction is expected to be consummated on receipt of requisite regulatory approvals and the closing conditions, no effect of the same is taken in these consolidated financial results.

15. 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: February 14, 2013 Managing Director