

May 10, 2019

DLF Limited: Ratings reaffirmed

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper	1,000.0	1,000.0	[ICRA]A1; reaffirmed
Fund based - Term Loan	2,139.95	1,968.0	[ICRA]A+ (Positive); reaffirmed
Fund based - Working Capital Facilities	2,142.0	1,837.0	[ICRA]A+ (Positive); reaffirmed
Non-fund based - Working Capital Facilities/Bank Guarantee	1,150.0	950.0	[ICRA]A+ (Positive); reaffirmed
Non-Convertible Debenture Programme	3,190.0	3,190.0	[ICRA]A+ (Positive); reaffirmed
Non-convertible Debentures	345.0	-	[ICRA]A+ (Positive); withdrawn
Total	9,966.95	8,945.0	

*Instrument details are provided in Annexure-1

Rationale

Given the presence of strong operational, financial and managerial linkages, ICRA has taken a consolidated rating view for DLF Limited and its subsidiaries, namely DLF Home Developers Limited, Aadarshini Real Estate Developers Private Limited¹, Lodhi Property Company Limited and Nambi Buildwell Private Limited (hereinafter referred to as 'DLF or DLF group'). Further, while DLF holds 66.67% stake in DLF Cyber City Developers Limited (DCCDL) and its subsidiaries (DCCDL group), ICRA has not taken a consolidated rating view on DLF and DCCDL groups. This is on account of the presence of a strong shareholder in DCCDL (GIC group with 33.33% stake), who has affirmative rights for all significant decisions. ICRA also notes that no incremental financial support is expected to be extended by DCCDL to DLF, as has been the case since the stake sale to GIC in December 2017.

The reaffirmation of the ratings and the outlook takes into account the completion of the Qualified Institutional Placement (QIP) in March 2019, with the same leading to an inflow of Rs. 3,172 crore, as well as the planned conversion of warrants in June 2019, which is expected to yield a further Rs. 2,250 crore into the company. The proceeds are expected to be utilized towards prepayment/repayment of existing debt obligations from both external lenders and the promoter group in Q1 FY2020. Thus, overall debt is expected to be significantly reduced from Q3 FY2019 levels, wherein external gross debt and net debt stood at Rs. 10,285 crore and Rs. 7,224 crore respectively. However, ICRA notes that some fresh debt may be availed to fund the ongoing and future capital expenditure.

The ratings also factors in the improvement in sales reported by the group during 9M FY2019, led by high sales levels in DLF 5 (Gurgaon, Haryana), wherein the Occupation Certificate (OC) has been received for its projects viz. Crest and Camelia. Total net sales stood at Rs. 1,788 crore during the said period, as against Rs. 1050 crore in FY2018, although ICRA notes that sales were suspended for six months (May, 2017-October 2017) during FY2018, due to the advent of

¹ Converted into a joint-venture from March 2019. However, given the corporate guarantee extended by DLF to the JV, ICRA continues to take a consolidated view.

RERA. However, collections during 9M FY2019 remained lower than expected at Rs. 2,335 crore, which has adversely impacted operational cash flows. Going forward, committed receivables amounting to ~Rs. 2,800 crore, together with available unsold finished inventory of ~Rs. 12,300 crore as on December 31, 2018, provide visibility on cash flows. Nonetheless, exposure to marketing risk remains high, given the concentration of the balance inventory in the high-ticket segment, that too, located in one geographical location i.e. Gurgaon, a market which has witnessed demand headwinds over the last few years. ICRA notes that the group's ability to improve sales velocity and collections will remain critical, given the maturity profile of DLF's debt, which is characterized by significant repayments over the near to medium term. However, comfort is drawn from the high cash balance estimated to be available as on March 31, 2019, on the back of QIP inflows, which is largely expected to take care of the immediate scheduled repayments and planned prepayments. Additionally, committed outflows towards ongoing projects remains low, standing at ~Rs. 2,250 crore as on December 31, 2018. With most of the ongoing residential projects being at intermediate or advanced stages of completion, execution risks for the ongoing projects remain limited as well. The group also has a low cost and largely paid up land bank, with well-located parcels having diverse land-uses, which provides it with flexibility in case of any exigency. Remaining committed payments are evenly spread over the medium term and primarily relate to the pending payment of ~Rs. 800 crore towards HSIIDC land (Udyog Vihar, Gurgaon), for which the company has already tied-up funding in the form of debt and equity. A portion of the equity has come in from Hines Limited, with whom DLF has formed a joint venture (JV) under Aadarshini Real Estate Developers Private Limited (rated [ICRA]A+(Positive)) for the said project. However, going forward, any significant discretionary outflows towards land or other capital expenditure will remain a key credit monitorable.

ICRA further notes that DLF has significant interest-bearing advances extended by DLF Cyber City Developers Limited (DCCDL, rated [ICRA]A+(Positive)/A1+), which are proposed to be settled within H1 FY2020. While there has been a delay in settlement of these advances as against ICRA's earlier expectations, largely on account of delays in receipt of regulatory approvals required for transfer of identified assets, DLF has made progress towards this settlement in recent quarters. Post the settlement of Rs. 1,885 crore in FY2019, Rs. 7,650 crore remained outstanding as on March 31, 2019. Further, Rs. 340 crore was settled in April, 2019 through asset transfer and another major portion is expected to be settled in May 2019 through the transfer of Mall of India, Noida valued at Rs. 2,950 crore. Additional assets valued at around ~Rs. 3,700 crore have also been identified by DLF for transfer within September 2019. However, the final timing and form of settlement of these advances will remain among the key rating monitorables.

ICRA also notes that DLF has significant contingent liabilities, mainly because of matters related to income tax, service tax etc and penalty imposed by the Competition Commission of India (CCI) in August 2011. However, DLF has deposited some money at the time of filing appeals with the respective tax authority as well as Rs. 630 crore² with the Hon'ble Supreme Court towards CCI penalty, which will provide liquidity support in case of any adverse judgment.

Going forward, timely completion of warrants conversion and utilisation of proceeds towards debt prepayment/repayment, timing and form of settlement of advances received from DCCDL, sustained sales momentum and improvement in collections will remain the key rating monitorables.

² Interest-bearing (in line with prevailing FD rates)

Outlook: Positive

ICRA believes that the utilisation of the QIP and warrants proceeds towards debt prepayment/repayment, together with committed receivables and finished unsold inventory, would support the operational cash flows going forward. The outlook may be revised to Stable in case of any delay in settlement of advances or weak operational cash flows leading to lower-than-expected debt reduction. Further, DLF's policy on land acquisition as well as capital expenditure, and the mode of funding of the same may also have an impact on the ratings. The rating may, however, be upgraded, if DLF is able to achieve better than expected sales velocity & collections and substantially reduce debt.

Key rating drivers

Credit strengths

- **Part conclusion of capital market transaction, with proceeds planned to be used to repay/prepay existing debt obligations:** The planned QIP has been successfully completed in March 2019, leading to a total inflow of Rs. 3,172 crore. Further, the planned warrants conversion, expected to be completed by June 2019, would yield an additional Rs. 2,250 crore. The proceeds are expected to be utilized towards prepayment/repayment of existing debt obligations from both external lenders and the promoter group in Q1 FY2020. Thus, overall debt is expected to be significantly reduced from Q3 FY2019 levels, wherein external gross debt and net debt stood at Rs. 10,285 crore and Rs. 7,224 crore respectively. However, ICRA notes that some fresh debt may be availed to fund the ongoing and future capital expenditure.
- **Established market position with availability of low cost, well located and diversified land bank:** DLF group has an established market position, attributable to its demonstrated track record of project execution and presence in all segments, namely residential, commercial and retail, across various locations in the country, which enables wider buyer coverage. Moreover, the group's land bank is characterised by low acquisition cost, good location and diversity of land use, providing it flexibility in case of any exigency. Further, the land bank is largely paid up and the remaining committed payments are evenly spread over the medium term.
- **Pending collections and finished unsold inventory provides cash flow visibility, although exposure to marketing risks remains:** DLF has pending receivables of ~Rs. 2,800 crore and finished unsold inventory of ~Rs. 12,300 crore as on December 31, 2018. Most of the unsold inventory comprises finished units which are expected to be handed over in the near term, which will underpin sales velocity and collections going forward, given the increasing home-buyer preference for completed inventory. Nonetheless, exposure to marketing risk remains high, given the concentration of the balance inventory in the high-ticket segment, that too located in one geographical location i.e. Gurgaon, a market which has witnessed demand headwinds over the last few years.
- **Limited execution risks; committed outflows towards ongoing projects remains low:** DLF has a low pending cost towards ongoing projects amounting to ~Rs. 2,250 crore as on December 31, 2018. As most of the on-going projects are either at intermediate or advanced stage of completion, exposure to execution risk remains limited.

Credit challenges

- **Maturity profile of debt:** A significant portion of the total debt is to be paid in the next two years which, in the absence of adequate collections, may put pressure on cash flows. Nevertheless, ICRA's rating draws comfort high cash balance estimated to be available as on March 31, 2019, on the back of QIP inflows. Further inflows from the warrants conversion will also support liquidity.
- **Lower than expected collections and high overheads impact operational cash flows:** DLF witnessed lower than expected collections during the 9MFY2019 at Rs. 2,335 crore, which together with high overheads, adversely

impacted operational cash flows. ICRA notes that going forward, ramp-up in the collection will remain critical to meet the capital expenditure and debt repayment requirements from operational cash flows.

- **Settlement of advances from DCCDL:** DLF has significant interest-bearing advances that have been extended by DCCDL. With the progress made in settlement of advances during FY2019, ~Rs. 7,650 crore remains outstanding for settlement as on March 31, 2019 - either in cash or by transfer of developed/undeveloped assets. ICRA notes that Rs. 340 crore was settled in April, 2019 and a further Rs. 2,950 crore is currently at an advance stage of settlement. While assets for most of the balance amount have already been identified for transfer within H1FY2020, the final timing and form of settlement of these advances will remain among the key rating monitorables.
- **Significant contingent liabilities and pending litigations may put cash flows under pressure in case of adverse ruling:** The group has significant contingent liabilities, mainly because of matters related to income tax, service tax etc and penalty imposed by CCI in August 2011. However, DLF has deposited some money at the time of filing appeals with the respective tax authority as well as Rs. 630 crore with the Hon'ble Supreme Court towards CCI penalty, which will provide liquidity support in case of any adverse judgment.

Liquidity Position:

DLF has cash of Rs. 3,061 crore as on December 31, 2018 and as a philosophy maintains at least six months of upcoming debt repayment as cash balance, which provides further comfort. In addition, substantial inflows have been received from the recently concluded QIP and an additional Rs. 2,250 crore is expected from warrants conversion in Q1FY2020. Further, the company has pending collections of ~Rs. 2,800 crore as on December 31, 2018, most of which is likely to be received over the near to medium term considering the advance stage of project execution/handover. This, together with sales generated from the available finished unsold inventory of ~Rs. 12,300 crore, is expected to support the liquidity and cash flow position of DLF going forward.

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Real Estate Entities
Parent/Group Support	-
Consolidation / Standalone	For arriving at the ratings, ICRA has taken a consolidated view of DLF Limited and its subsidiaries given the close business, financial and managerial linkages among them.

About the company:

DLF Limited is amongst the largest domestic real estate developer with more than 50 years of experience in developing real estate. The company has developed more than 250 million square feet (msf) It is credited for developing many well-known urban colonies in Delhi, including South Extension, Greater Kailash, Kailash Colony and Hauz Khas as well as one of Asia's largest private townships "DLF City" in Gurgaon, Haryana. DLF is currently developing 5 msf across the country.

In FY2018, DLF reported a net profit of Rs. 4,292.41 crore on an operating income (OI) of Rs. 6,716.9 crore compared to a net profit of Rs. 800.26 crore on an OI of Rs. 8,246.0 crore in the previous year. The net profit in FY2018 remained high mainly led by extra-ordinary gain of Rs. 9,927 crore arising out of stake sale in DCCDL. In 9m FY2019, the company reported a net profit of Rs. 176.37 crore on an operating income of Rs. 5,865.7 crore.

Key financial indicators (audited) – Consolidated

	FY2017	FY2018	9MFY2019*
Operating Income (Rs. crore)	8,246.0	6,716.9	5,865.7
PAT (Rs. crore)	800.26	4,292.41	176.37
OPBDIT/OI (%)	41.94%	35.55%	27.4%
RoCE (%)	8.43%	22.57%	-
Total Debt/TNW (times)	1.18	0.49	0.34
Total Debt/OPBDIT (times)	8.45	7.33	6.40
Interest Coverage (times)	1.16	0.81	1.05
NWC/OI (%)	221%	290%	-

*Provisional

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years					
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018		Date & Rating in FY2017		
				May-19	Aug-18	Dec-17	Apr-17	Jan-17	Jul-16	Apr-16
1 Commercial Paper	Short Term	1,000.0	-	[ICRA]A1	[ICRA]A1	[ICRA]A1	-	-	-	-
2 Term Loans	Long Term	1,968.0	1827	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Negative)
3 Non-Fund Based Limits	Long Term	950.00	Revolving	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Negative)
4 Fund Based Limits	Long Term	1,837.0	Revolving	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Negative)
5 NCD	Long Term	3,190.0	690	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Negative)
6 NCD	Long Term	345.0	-	[ICRA]A+ (Positive); withdrawn	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Negative)
Total		9,290.0								

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount to be Rated (Rs. Crore)	Current Rating and Outlook
NA	Term Loan 1	14-Dec-15	-	30-Jun-19	53.35	[ICRA]A+(Positive)
NA	Term Loan 2	30-Mar-15	-	30-Mar-20	62.37	[ICRA]A+(Positive)
NA	Term Loan 3	17-Jul-14	-	17-Jul-21	833.99	[ICRA]A+(Positive)
NA	Term Loan 4	30-Sep-14	-	17-Jul-21	423.28	[ICRA]A+(Positive)
NA	Term Loan 5	11-Jul-17	-	11-Jul-26	128.74	[ICRA]A+(Positive)
NA	Term Loan 6	21-Oct-15	-	31-Mar-25	213.54	[ICRA]A+(Positive)
NA	Term Loan 7	31-Mar-15	-	31-Mar-25	53.38	[ICRA]A+(Positive)
NA	Term Loan 8	29-Nov-18	-	15-Nov-27	199.37	[ICRA]A+(Positive)
NA	OD/Working Capital Limits	-	-	-	1,837.00	[ICRA]A+(Positive)
NA	Bank Guarantee	-	-	-	750.00	[ICRA]A+(Positive)
NA	Letter of Credit	-	-	-	200.00	[ICRA]A+(Positive)
INE271C07111	NCD-I	11-Aug-15	12.25%	11-Aug-18	250.00	[ICRA]A+(Positive); withdrawn
INE271C07129	NCD-II	11-Aug-15	12.25%	11-Aug-19	250.00	[ICRA]A+(Positive)
INE271C07137	NCD-III	11-Aug-15	12.25%	11-Aug-20	250.00	[ICRA]A+(Positive)
INE271C07152	NCD-IV	24-Aug-15	12.25%	10-Aug-18	95.00	[ICRA]A+(Positive); withdrawn
INE271C07160	NCD-V	24-Aug-15	12.25%	9-Aug-19	95.00	[ICRA]A+(Positive)
INE271C07178	NCD-VI	24-Aug-15	12.25%	10-Aug-20	95.00	[ICRA]A+(Positive)
NA	NCD (not placed)	-	-	-	2,500.00	[ICRA]A+(Positive)
NA	Commercial Paper	-	-	-	1,000	[ICRA]A1
	Total				9,290	

Source: DLF

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Subsidiary companies		
Aadarshini Real Estate Developers Private Limited#	100%	Full Consolidation
Abhigyan Builders & Developers Private Limited	100%	Full Consolidation
Abhiraj Real Estate Private Limited	100%	Full Consolidation
Adeline Builders & Developers Private Limited	100%	Full Consolidation
Americus Real Estate Private Limited	100%	Full Consolidation
Amishi Builders & Developers Private Limited	100%	Full Consolidation
Angelina Real Estates Private Limited	100%	Full Consolidation
Ariadne Builders & Developers Private Limited	100%	Full Consolidation
Armand Builders & Constructions Private Limited	100%	Full Consolidation
Benedict Estates Developers Private Limited	100%	Full Consolidation
Beyla Builders & Developers Private Limited	100%	Full Consolidation
Bhamini Real Estate Developers Private Limited	100%	Full Consolidation
Breeze Constructions Private Limited	100%	Full Consolidation
Caraf Builders & Constructions Private Limited [till 25 December 2017]	67%	Full Consolidation
Chakradharee Estates Developers Private Limited	100%	Full Consolidation
Chandrajyoti Estate Developers Private Limited	100%	Full Consolidation
Dae Real Estates Private Limited	100%	Full Consolidation
Daffodil Hotels Private Limited	74%	Full Consolidation
Dalmia Promoters and Developers Private Limited	100%	Full Consolidation
Delanco Home and Resorts Private Limited	100%	Full Consolidation
Delanco Realtors Private Limited	100%	Full Consolidation

Deltaland Buildcon Private Limited	100%	Full Consolidation
DLF Aspinwal Hotels Private Limited	100%	Full Consolidation
DLF Assets Private Limited [till 25 December 2017]	67%	Full Consolidation
DLF Builders and Developers Private Limited	99%	Full Consolidation
DLF City Centre Limited [till 25 December 2017]	67%	Full Consolidation
DLF Cochin Hotels Private Limited	100%	Full Consolidation
DLF Commercial Developers Limited	100%	Full Consolidation
DLF Cyber City Developers Limited [till 25 December 2017]	67%	Full Consolidation
DLF Emporio Limited [till 25 December 2017]	67%	Full Consolidation
DLF Emporio Restaurants Limited	100%	Full Consolidation
DLF Energy Private Limited	100%	Full Consolidation
DLF Estate Developers Limited	100%	Full Consolidation
DLF Finvest Limited	100%	Full Consolidation
DLF Garden City Indore Private Limited	100%	Full Consolidation
DLF Global Hospitality Limited [till 22 March 2018]	100%	Full Consolidation
DLF Golf Resorts Limited	100%	Full Consolidation
DLF Home Developers Limited	100%	Full Consolidation
DLF Homes Goa Private Limited	100%	Full Consolidation
DLF Homes Kokapet Private Limited	100%	Full Consolidation
DLF Homes Services Private Limited	100%	Full Consolidation
DLF Hotel Holdings Limited [till 22 March 2018]	100%	Full Consolidation
DLF Info City Hyderabad Limited	100%	Full Consolidation
DLF Info City Chennai Limited	100%	Full Consolidation
DLF Info City Developers (Chandigarh) Limited [till 25 December 2017]	67%	Full Consolidation
DLF Info City Developers (Kolkata) Limited [till 25 December 2017]	67%	Full Consolidation
DLF Info Park (Pune) Limited	100%	Full Consolidation
DLF Info Park Developers (Chennai) Limited	100%	Full Consolidation
DLF Lands India Private Limited (formerly known as Berenice Real Estate Private Limited)	100%	Full Consolidation
DLF Luxury Homes Limited [formerly DLF GK Residency Limited]	100%	Full Consolidation
DLF Phase-IV Commercial Developers Limited	100%	Full Consolidation
DLF Power & Services Limited [till 25 December 2017]	67%	Full Consolidation
DLF Projects Limited	100%	Full Consolidation
DLF Promenade Limited [till 25 December 2017]	67%	Full Consolidation
DLF Property Developers Limited	100%	Full Consolidation
DLF Real Estate Builders Limited	100%	Full Consolidation
DLF Recreational Foundation Limited	85%	Full Consolidation
DLF Residential Builders Limited	100%	Full Consolidation
DLF Residential Developers Limited	100%	Full Consolidation
DLF Residential Partners Limited	100%	Full Consolidation
DLF South Point Limited	100%	Full Consolidation
DLF Southern Towns Private Limited	100%	Full Consolidation
DLF Universal Limited	100%	Full Consolidation
DLF Utilities Limited	100%	Full Consolidation
Domus Real Estate Private Limited	100%	Full Consolidation
Eastern India Powertech Limited	100%	Full Consolidation
Edward Keventer (Successors) Private Limited	100%	Full Consolidation
Elvira Builders & Constructions Private Limited	100%	Full Consolidation
Faye Builders & Constructions Private Limited	100%	Full Consolidation
Galleria Property Management Services Private Limited	100%	Full Consolidation
Ghaliya Builders & Developers Private Limited	100%	Full Consolidation
Hansel Builders & Developers Private Limited	100%	Full Consolidation

Isabel Builders & Developers Private Limited	100%	Full Consolidation
Kolkata International Convention Centre Limited [w.e.f. 12 January 2018]	100%	Full Consolidation
Lada Estates Private Limited	100%	Full Consolidation
Latona Builders & Constructions Private Limited	100%	Full Consolidation
Lear Builders & Developers Private Limited	100%	Full Consolidation
Lempo Buildwell Private Limited	100%	Full Consolidation
Liber Buildwell Private Limited	100%	Full Consolidation
Livana Builders & Developers Private Limited	100%	Full Consolidation
Lizebeth Builders & Developers Private Limited	100%	Full Consolidation
Lodhi Property Company Limited	100%	Full Consolidation
Mariabella Builders & Developers Private Limited	100%	Full Consolidation
Melosa Builders & Developers Private Limited	100%	Full Consolidation
Mens Buildcon Private Limited	100%	Full Consolidation
Nambi Buildwell Private Limited	100%	Full Consolidation
Narooma Builders & Developers Private Limited	100%	Full Consolidation
Nellis Builders & Developers Private Limited	100%	Full Consolidation
Niobe Builders & Developers Private Limited	100%	Full Consolidation
Nudhar Builders & Developers Private Limited	100%	Full Consolidation
Paliwal Developers Limited	100%	Full Consolidation
Paliwal Real Estate Limited	100%	Full Consolidation
Phoena Builders & Developers Private Limited	100%	Full Consolidation
Pyrite Builders & Constructions Private Limited	100%	Full Consolidation
Qabil Builders & Constructions Private Limited	100%	Full Consolidation
Rachelle Builders & Constructions Private Limited	100%	Full Consolidation
Richmond Park Property Management Services Limited [till 25 December 2017]	67%	Full Consolidation
Riveria Commercial Developers Limited	100%	Full Consolidation
Rochelle Builders & Constructions Private Limited	100%	Full Consolidation
Royalton Builders & Developers Private Limited	100%	Full Consolidation
Saket Holidays Resorts Private Limited	100%	Full Consolidation
Shivaji Marg Maintenance Services Limited [formerly NewGen MedWorld Hospitals Limited]	100%	Full Consolidation
Silverlink (Mauritius) Limited [till 22 March 2018]	100%	Full Consolidation
Urvasi Infratech Private Limited	100%	Full Consolidation
Vibodh Developers Private Limited	100%	Full Consolidation
Vkarma Capital Investment Management Company Private Limited	100%	Full Consolidation
Vkarma Capital Trustee Company Private Limited	100%	Full Consolidation
Webcity Builders & Developers Private Limited	100%	Full Consolidation
Partnership firms		
DLF Commercial Projects Corporation	100%	Full Consolidation
DLF Gayatri Developers	42%	Full Consolidation
DLF Green Valley	50%	Full Consolidation
DLF Office Developers	85%	Full Consolidation
Rational Builders and Developers	95%	Full Consolidation
Joint Ventures (J)/ Associates (A)		
Banjara Hills Hyderabad Complex (J)	50%	Equity Method
DLF Gayatri Home Developers Private Limited (J)	50%	Equity Method
DLF Midtown Private Limited (J)	50%	Equity Method
DLF SBPL Developers Private Limited (J)	50%	Equity Method
DLF Urban Private Limited (J)	50%	Equity Method
GSG DRDL Consortium (J)	50%	Equity Method

YG Realty Private Limited (J)	50%	Equity Method
Designplus Associates Services Private Limited (J)	42%	Equity Method
DLF Garden City Indore Private Limited [till 20 March 2017] (J)	-	Equity Method
DLF Homes Panchkula Private Limited (A)	40%	Equity Method
Rajapura Homes Private Limited [formerly DLF Homes Rajapura Private Limited] [till 20 March 2017] (J)	-	Equity Method
Begur OMR Homes Private Limited [formerly DLF Southern Homes Private Limited] [till 20 March 2017](J)	-	Equity Method
DLF Southern Towns Private Limited [till 20 March 2017] (J)	-	Equity Method
Joyous Housing Limited (J)	38%	Equity Method
Arizona Globalservices Private Limited (A)	-	Equity Method
DCCDL GROUP (J) comprising of investment in DLF Cyber City Developers Limited along with its following subsidiaries {w.e.f 26 December 2017}* Caraf Builders & Constructions Private Limited	66.66%	Equity Method
DLF Assets Private Limited		Equity Method
DLF City Centre Limited		Equity Method
DLF Emporio Limited		Equity Method
DLF Info City Developers (Chandigarh) Limited		Equity Method
DLF Info City Developers (Kolkata) Limited		Equity Method
DLF Power & Services Limited		Equity Method
DLF Promenade Limited		Equity Method
Richmond Park Property Management Services Limited		Equity Method

Source: FY2018 Audited Financial Statement

#Converted into a joint-venture from March 2019. However, given the corporate guarantee extended by DLF to the JV, ICRA continues to take a consolidated view

**ICRA has not taken a consolidated rating view on DLF and DCCDL groups. This is on account of the presence of a strong shareholder in DCCDL (GIC group with 33.33% stake), who has affirmative rights for all significant decisions. ICRA also notes that no incremental financial support is expected to be extended by DCCDL to DLF, as has been the case since the stake sale to GIC in December 2017.*

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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