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

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2013

₹ in crores

SL NO.	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2013 (Reviewed)	31.03.2013 (Audited)	30.06.2012 (Reviewed)	31.03.2013 (Audited)
Part I					
1	**Income from operations**				
	Sales and other receipts	766.66	817.19	792.35	2,150.04
2	**Expenditure**				
	a) Cost of land, plots, development rights and constructed properties	174.65	164.67	(82.30)	305.57
	b) Employee benefits expense	25.41	39.19	21.47	118.55
	c) Depreciation, amortisation and impairment	35.80	34.83	35.42	141.89
	d) Other expenses	89.52	75.24	79.90	336.41
	Total	**325.38**	**313.93**	**54.49**	**902.42**
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	**441.28**	**503.26**	**737.86**	**1,247.62**
4	Other income	271.17	186.84	236.56	1,154.80
5	**Profit from operations before finance costs and exceptional items (3+4)**	**712.45**	**690.10**	**974.42**	**2,402.42**
6	Finance costs	427.09	420.32	435.29	1,709.89
7	**Profit from operations after finance costs but before exceptional items (5-6)**	**285.36**	**269.78**	**539.13**	**692.53**
8	Exceptional items (refer note 8)	(68.00)	-	-	-
9	**Profit from operations before tax (7+8)**	**217.36**	**269.78**	**539.13**	**692.53**
10	Tax expense *	67.20	61.37	169.41	175.86
11	**Net Profit before prior period item for the period (9-10)**	**150.16**	**208.41**	**369.72**	**516.67**
12	Prior period expense (net)	-	12.35	2.57	15.11
13	**Net Profit (11-12)**	**150.16**	**196.06**	**367.15**	**501.56**
14	Paid up equity share capital (face value ₹ 2 each)	355.96	339.74	339.69	339.74
15	Reserves excluding revaluation reserves	-	-	-	14,271.96
16	Basic EPS (₹) (on ₹ 2 per share) (not annualised)	0.86	1.15	2.16	2.95
17	Diluted EPS (₹) (on ₹ 2 per share) (not annualised)	0.86	1.15	2.16	2.95
Part II - Select information for the quarter ended June 30, 2013					
A	**Particulars of shareholding**				
1	Public shareholding				
	- Number of shares	444,974,114	363,915,957	363,625,473	363,915,957
	- Percentage of shareholding	25.00%	21.42%	21.41%	21.42%
2	Promoters and promoter group shareholding				
	a) Pledged/ Encumbered				
	Number of Shares	-	-	-	-
	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)	75.00%	78.58%	78.59%	78.58%

B	**Investor Complaints**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	7
	Disposed of during the quarter	7
	Remaining unresolved at the end of the quarter	Nil

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* Tax expense include deferred tax

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Notes to the Standalone Financial Results

1. The above quarterly financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 12, 2013 and have undergone 'Limited Review' by the Statutory Auditors of the Company .

2. The Company 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 Company is primarily operating in India which is considered as a single geographical segment.

3. a) 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 recognized in the period in which such changes are determined.

   b) The Company entered into development agreement with two Subsidiary Companies to give irrevocable development rights of certain land parcels. As per these agreements, the consideration was in the form of share in revenue on sale of properties, depending upon achieving project gross margin and providing minimum returns to the minority shareholders. During the current quarter, the subsidiary companies reassessed its business plans and the resultant, project gross margin and minimum returns to the minority shareholders and reversed the entire revenue share accrued till March 31, 2013 amounting to ₹ 79.82 crores considering that the guaranteed minimum returns to the minority shareholders are not likely to be achieved.

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

   a) ₹ 9.61 crores has been provided as employee benefit expenses, as the proportionate cost of 4,773,447 numbers of options outstanding as on June 30, 2013.

   b) The Company has allotted 39,740 equity shares of face value of ₹ 2 each to the eligible employees of the Company on account of exercise of vested stock options.

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

6. **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, 1961 were made by the Income Tax Authorities in the Assessment of the Company amounting to ₹ 355.24 crores for the assessment year 2009-10 and ₹ 487.23 crores for assessment year 2008-09.

   The Company had filed appeals before the appropriate appellate authorities against the said assessment orders. In certain cases, relief has been granted by the CIT (Appeals). The company and Income Tax Department further preferred the appeals before the ITAT in those cases.

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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 financial results.

b) During the year ended March 31, 2011, the Company received judgment from the Hon'ble High Court of Punjab and Haryana cancelling the release/ sale deed of land relating to IT SEZ Project in Gurgaon. The Company has filed Special Leave petitions (SLP) challenging the order in the Hon'ble Supreme Court of India.

The Hon'ble Supreme Court has admitted the matter and stayed the operation of the impugned judgment till further orders.

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 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 November 2nd, 3rd and 4th of 2013 for final arguments. Pending the final decisions, no adjustment has been done in these financial results.

7. a) In terms of the definitive Business Transfer Agreement executed on January 31, 2013, between the Company and BLP Vayu (Project 1) Private Ltd., a subsidiary of Bharat Light & Power Pvt. Ltd. to transfer the Company's undertaking comprising of 150MW capacity wind turbines situated at Kutch, Gujarat, subject to certain regulatory approvals and permissions, the Company has transferred the said undertaking including related assets and liabilities along with relevant long term loans on 'as is where is basis' by way of slump-sale for a lump sum consideration of ₹ 325.38 crores on July 05, 2013. As the transaction is completed subsequent to quarter end, no effect of the same has been taken in these financial results.

b) Subsequent to the quarter end, on July 11, 2013, the Company has entered into a definitive Goyal MG Gases Private Limited (GMGPL) for transferring it's undertaking comprising of 11.2 MW capacity wind turbines situated at Karnataka on 'as is where is basis' by way of slump sale for lump sum consideration of ₹ 29.52 crores. Subject to the fulfillment of the terms and conditions by both the parties in accordance with the said agreement, the said undertaking including assets and liabilities along with relevant long term loans would be transferred to GMGPL.

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c) Subsequent to the quarter end, on July 25, 2013, the Company has signed definitive agreements to sell its 74% equity stake in its the Life Insurance Joint Venture - DLF Pramerica Life Insurance Company Ltd., a joint venture with Prudential International Insurance Holdings Ltd, a direct subsidiary of Prudential Financial, Inc USA to Dewan Housing Finance Corporation Ltd & its group entities.

As transactions (b) and (c) aforementioned above are expected to be consummated on receipt of requisite regulatory approvals and the closing conditions, no effect of the same is taken in these financial results.

8. The Company entered into a Share Purchase Agreement dated February 22, 2013 and supplementary Agreement dated July 11, 2013 for sale of a project through one of its subsidiary company.

As per the terms of agreement, a foreseeable loss of ₹ 68 crores reflecting the difference between the sales consideration and carrying cost of the project, is classified as an exceptional item in the above financial results.

9. a) During the quarter, the Company issued 81,018,417 equity shares of face value of ₹ 2/- each at an issue price of ₹ 230/- per share, aggregating to ₹ 1,863.42 crores. The Issue was made through the Institutional Placement Programme in terms of Chapter VIII-A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations") in order to achieve minimum public shareholding of 25%. Post issue, the paid-up share capital of the Company was increased by ₹ 16.20 crores.

b) Utilisation of funds received through Institutional Placement Programme (IPP):

Expenditure incurred upto June 30, 2013

Item head	**Amount (₹ in crores)**
General corporate purposes, working capital requirements and capital expenditure or other purposes	322.06
Repayment of borrowings	368.22
Fees and expenses in relation to IPP	3.14
Total	**693.42**

10. 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

T. C. Goyal
Managing Director

Place: New Delhi
Date: August 12, 2013

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Limited Review Report

To the Board of Directors of DLF Limited

1. We have reviewed the accompanying statement of unaudited financial results (the 'Statement') of DLF Limited ('the Company') for the quarter ended June 30, 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a review report on this Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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4. We draw attention to certain income tax and other matters which are explained in more detail in Note 6 to the accompanying Statement. These matters are currently pending in litigations at different levels and there exists uncertainty in respect of the final resolution of these material matters, and the resultant financial adjustments if any, will be recorded in the periods in which these matters are resolved. Our report is not qualified in respect of these matters.

Walker, Chandiok

For **Walker, Chandiok & Co**
Chartered Accountants
Firm Registration No.: 001076N

V Chandiok

per **Vinod Chandiok**
Partner
Membership No. 10093

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New Delhi
August 12, 2013