

DLF Limited

DLF Gateway Tower, R Block,
DLF City Phase – III, Gurugram – 122 002,
Haryana (India)
Tel.: (+91-124) 4396000



November 7, 2019

| | |
|---|--|
| The General Manager Dept. of Corporate Services BSE Limited P.J. Tower, Dalal Street, Mumbai 400 001 | The Vice-President National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051 |
|---|--|

Dear Sir,

Sub: **Un-Audited Financial Results – Q2/2020**

The Board of Directors in its meeting held on today has approved Un-audited Financial Results (Consolidated as well as Standalone) for the **quarter and half-year ended 30th September 2019**. A copy of the said results (**Consolidated & Standalone** along-with Limited Review Reports are enclosed herewith, in compliance with Regulation 33 of the SEBI (LODR) Regulations, 2015.

The meeting of the Board of Directors was commenced at 16:30 Hrs. and concluded at 20:20 Hrs.

Thanking you,

Yours faithfully,
for **DLF LTD.**

Subhash Setia
Company Secretary

Encl. As above

For Stock Exchange's clarifications:-

1. Mr. Subhash Setia – 09873718989/setia-subhash@dlf.in
2. Mr. Raju Paul – 09999333687 / paul-raju@dlf.in

DLF Limited

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

(₹ in crores)

| SL NO. | PARTICULARS | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
|--------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| | | 30.9.2019 (Unaudited) | 30.6.2019 (Unaudited) | 30.9.2018 (Unaudited) | 30.9.2019 (Unaudited) | 30.9.2018 (Unaudited) | 31.3.2019 (Audited) |
| 1 | Income | | | | | | |
| | a) Revenue from operations | 1,715.51 | 1,331.19 | 2,139.03 | 3,046.70 | 3,646.38 | 8,366.09 |
| | b) Other income | 224.54 | 209.76 | 165.87 | 434.30 | 316.19 | 663.32 |
| | Total income | 1,940.05 | 1,540.95 | 2,304.90 | 3,481.00 | 3,962.57 | 9,029.41 |
| 2 | Expenses | | | | | | |
| | a) Cost of land, plots, constructed properties, development rights and others | 885.17 | 769.27 | 1,192.19 | 1,654.44 | 2,137.48 | 4,951.10 |
| | b) Employee benefits expense | 85.84 | 78.24 | 81.30 | 164.08 | 159.85 | 351.62 |
| | c) Finance costs | 418.09 | 536.03 | 496.38 | 954.12 | 993.92 | 2,061.87 |
| | d) Depreciation and amortisation expense | 44.63 | 51.06 | 55.31 | 95.69 | 111.71 | 224.63 |
| | e) Other expenses | 394.16 | 244.00 | 206.21 | 638.16 | 381.13 | 921.85 |
| | Total expenses | 1,827.89 | 1,678.60 | 2,031.39 | 3,506.49 | 3,784.09 | 8,511.07 |
| 3 | Profit/(loss) before exceptional items, tax, share of profit/(loss) in associates and joint ventures (1-2) | 112.16 | (137.65) | 273.51 | (25.49) | 178.48 | 518.34 |
| 4 | Exceptional items (net) | 143.56 | 296.51 | - | 440.07 | - | 127.32 |
| 5 | Profit before tax, share of profit/(loss) in associates and joint ventures (3+4) | 255.72 | 158.86 | 273.51 | 414.58 | 178.48 | 645.66 |
| 6 | Tax expense* | 74.21 | 9.97 | 139.31 | 84.18 | 113.34 | 277.37 |
| 7 | Profit after tax and before share of profit/(loss) in associates and joint ventures (5-6) | 181.51 | 148.89 | 134.20 | 330.40 | 65.14 | 368.29 |
| 8 | Share of profit/(loss) in associates and joint ventures (net) | 261.90 | 265.05 | 239.01 | 526.95 | 480.51 | 945.78 |
| 9 | Profit for the period/year (7+8) | 443.41 | 413.94 | 373.21 | 857.35 | 545.65 | 1,314.07 |
| 10 | Other comprehensive income/(loss) | | | | | | |
| | a) Items that will not be reclassified to profit and loss | 0.11 | (1.37) | (3.09) | (1.26) | (3.03) | (3.69) |
| | b) Income tax relating to items that will not be reclassified to profit and loss | (1.75) | 0.08 | (0.04) | (1.67) | (0.04) | 0.45 |
| | c) Items that will be reclassified to profit or loss | (0.07) | - | 6.48 | (0.07) | 25.79 | - |
| | d) Income tax relating to items that will be reclassified to profit or loss | 0.09 | - | (2.26) | 0.09 | (9.01) | - |
| | Other comprehensive income/(loss) | (1.62) | (1.29) | 1.09 | (2.91) | 13.71 | (3.24) |
| 11 | Total comprehensive income for the period/year (9+10) | 441.79 | 412.65 | 374.30 | 854.44 | 559.36 | 1,310.83 |
| 12 | Net profit/(loss) for the period/year attributable to: | | | | | | |
| | Owners of the holding company | 445.85 | 414.72 | 374.74 | 860.57 | 547.51 | 1,319.22 |
| | Non-controlling interests | (2.44) | (0.78) | (1.53) | (3.22) | (1.86) | (5.15) |
| | | 443.41 | 413.94 | 373.21 | 857.35 | 545.65 | 1,314.07 |
| 13 | Other comprehensive income/(loss) attributable to: | | | | | | |
| | Owners of the holding company | (1.62) | (1.29) | 1.09 | (2.91) | 13.71 | (3.24) |
| | Non-controlling interests | - | - | - | - | - | - |
| | | (1.62) | (1.29) | 1.09 | (2.91) | 13.71 | (3.24) |
| 14 | Total comprehensive income/(loss) attributable to: | | | | | | |
| | Owners of the holding company | 444.23 | 413.43 | 375.83 | 857.66 | 561.22 | 1,315.98 |
| | Non-controlling interests | (2.44) | (0.78) | (1.53) | (3.22) | (1.86) | (5.15) |
| | | 441.79 | 412.65 | 374.30 | 854.44 | 559.36 | 1,310.83 |
| 15 | Paid-up equity share capital (face value of ₹ 2 per share) | 495.06 | 495.06 | 356.87 | 495.06 | 356.87 | 441.44 |
| 16 | Other equity (including share warrants pending allotment) | | | | | | 33,135.10 |
| 17 | Earnings per equity share (face value of ₹ 2 per share) (not annualised) | | | | | | |
| | Basic (₹) | 1.80 | 1.83 | 2.10 | 3.63 | 3.07 | 7.38 |
| | Diluted (₹) | 1.80 | 1.74 | 1.70 | 3.55 | 2.49 | 6.00 |

* Tax expense includes current tax, deferred tax and minimum alternate tax



1. Statement of Assets and Liabilities:

(₹ in crores)

| Particulars | As on September 30, 2019 (Unaudited) | As on March 31, 2019 (Audited) |
|--|--|-----------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,363.48 | 1,458.59 |
| Right to use assets | 272.76 | - |
| Capital work-in-progress | 117.00 | 102.92 |
| Investment property | 2,602.21 | 3,695.76 |
| Goodwill | 1,017.84 | 1,009.16 |
| Other intangible assets | 155.09 | 158.15 |
| Investments in joint ventures and associates | 17,833.69 | 20,868.20 |
| Financial assets | | |
| Investments | 103.96 | 102.26 |
| Loans | 337.69 | 294.64 |
| Other financial assets | 279.05 | 260.66 |
| Deferred tax assets (net) | 5,927.41 | 2,376.92 |
| Non-current tax assets (net) | 1,249.13 | 1,298.43 |
| Other non-current assets | 1,356.21 | 1,512.89 |
| Total non-current assets | 32,615.52 | 33,138.58 |
| Current assets | | |
| Inventories | 22,353.55 | 22,008.55 |
| Financial assets | | |
| Investments | 27.08 | 34.20 |
| Trade receivables | 742.77 | 832.28 |
| Cash and cash equivalents | 2,278.88 | 4,268.17 |
| Other bank balances | 544.83 | 587.19 |
| Loans | 2,089.98 | 1,964.27 |
| Other financial assets | 953.90 | 686.69 |
| Other current assets | 760.19 | 772.30 |
| Total current assets | 29,751.18 | 31,153.65 |
| Assets classified as held for sale | 1,743.10 | 2,630.22 |
| Total assets | 64,109.80 | 66,922.45 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 495.06 | 441.44 |
| Warrant | - | 750.10 |
| Other equity | 35,681.08 | 32,385.00 |
| Equity attributable to owners of Holding Company | 36,176.14 | 33,576.54 |
| Non-controlling interests | 21.68 | 40.58 |
| Total equity | 36,197.82 | 33,617.12 |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | 3,410.47 | 5,614.38 |
| Trade payables | | |
| (a) total outstanding dues of micro enterprises and small enterprises | - | - |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | 794.23 | 794.19 |
| Other non-current financial liabilities | 572.48 | 461.78 |
| Long term provisions | 49.50 | 44.88 |
| Deferred tax liabilities (net) | 4,065.86 | 439.74 |
| Other non-current liabilities | 71.43 | 97.17 |
| | 8,963.97 | 7,452.14 |
| Current liabilities | | |
| Financial liabilities | | |
| Borrowings | 4,940.32 | 9,163.71 |
| Trade payables | | |
| (a) total outstanding dues of micro enterprises and small enterprises | 20.25 | 18.78 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | 1,389.92 | 1,258.42 |
| Other current financial liabilities | 2,183.53 | 4,113.42 |
| Other current liabilities | 10,239.12 | 11,122.37 |
| Provisions | 54.25 | 33.66 |
| Total liabilities | 18,827.39 | 25,710.36 |
| Liabilities directly associated with assets classified as held for sale | 120.62 | 142.83 |
| Total equity and liabilities | 64,109.80 | 66,922.45 |



2. Statement of Cash Flow:

| Particulars | As on September 30, 2019 (Unaudited) | As on September 30, 2018 (Unaudited) |
|--|--|--|
| A CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax, share of loss in associates and joint ventures | 414.58 | 178.48 |
| Adjustments for: | | |
| Depreciation, amortisation and impairment expense | 95.69 | 111.71 |
| Gain on disposal of property, plant and equipment (net) | (0.12) | (0.04) |
| Rental income on account of discounting of security deposits and straight lining effect | (33.21) | (15.99) |
| Interest income (including fair value change in financial instruments) | (269.02) | (188.55) |
| Dividend income | (21.06) | (23.01) |
| Loss on foreign currency transactions (net) | 0.02 | 0.06 |
| Finance costs | 954.12 | 993.92 |
| (Profit)/Loss on sale of investments (net) | (1.96) | 2.63 |
| (Gain)/Loss on fair valuation of financial instruments through P&L including derivatives | (41.37) | 7.56 |
| Allowance for expected credit loss for financial assets and impairment of non-financial assets | 142.69 | 56.30 |
| Amount forfeited on properties | (2.58) | (1.99) |
| Amounts/assets written off | 2.18 | 0.03 |
| Unclaimed balances and excess provisions written back | (72.51) | (4.87) |
| Exceptional items (net) | (440.07) | - |
| Operating profit before working capital changes | 727.38 | 1,051.74 |
| Adjustment for: | | |
| Decrease/(increase) in current / non current loans | 98.14 | (475.71) |
| Decrease in inventories | 436.01 | 1,755.31 |
| (Increase)/ decrease in current / non current other financial assets | (228.03) | 301.17 |
| Decrease/(increase) in current / non current other assets | 53.81 | (234.42) |
| Decrease in trade receivables | 94.65 | 229.56 |
| (Decrease) in current / non current other financial liabilities | (295.14) | (185.98) |
| (Decrease) in current / non current other liabilities | (1,207.26) | (1,700.69) |
| (Decrease) in current / non current provisions | (8.77) | (1.07) |
| Increase/(Decrease) in current / non current trade payables | 215.07 | (380.78) |
| Cash flow (used in)/ from operating activities post working capital changes | (114.14) | 359.13 |
| Direct taxes refund/(paid), net | 18.82 | (100.61) |
| Net cash (used in)/flow from operating activities (A) | (95.32) | 258.52 |
| B CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment, investment property, intangible assets and capital work-in-progress | (142.59) | (491.21) |
| Proceeds from sale of property, plant and equipment and investment property | 37.15 | 0.30 |
| Purchase of investments | (677.29) | - |
| Proceeds from sale of investment in subsidiary | 3,675.08 | - |
| Purchase of investment in mutual funds | (6,858.50) | - |
| Proceeds from disposal of mutual funds | 6,857.08 | 329.60 |
| Investment in fixed deposits | 205.22 | 530.84 |
| Proceeds from sale of fixed deposits | (203.99) | (172.59) |
| Interest received | 102.46 | 55.27 |
| Dividend received | 1,960.50 | 23.01 |
| Net cash flow from investing activities (B) | 4,955.12 | 275.22 |
| C CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of shares | 2,249.90 | 0.05 |
| Repayment of debentures | (345.00) | (407.50) |
| Proceeds from non-current borrowings (including current maturities) | 1,740.00 | 200.00 |
| Repayment of long-term borrowings (including current maturities) | (4,302.56) | (738.54) |
| Proceeds from current borrowing | 1,283.70 | 357.52 |
| Repayment of current borrowings | (5,448.53) | (126.30) |
| Finance cost paid | (1,515.99) | (553.91) |
| Movement in restricted bank balances | (0.21) | - |
| Dividend paid (including tax) | (514.69) | - |
| Net cash (used in) financing activities (C) | (6,853.38) | (1,268.68) |
| Net (decrease) in cash and cash equivalents (A+B+C) | (1,993.58) | (734.94) |
| Cash and cash equivalents at the beginning of the year | 4,266.34 | 1,356.24 |
| Less: Cash and cash equivalents classified to held for sale | (0.11) | (1.56) |
| Cash and cash equivalents at the end of the year | 2,272.65 | 619.74 |
| Cash and cash equivalents at the end comprises of: | | |
| Cash and cash equivalents | 2,278.88 | 619.74 |
| Less: Book overdraft | (6.23) | - |
| | 2,272.65 | 619.74 |



Notes to the Consolidated Financial Results

3. The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 07, 2019. The statutory auditors have carried out Limited Review of above financial results of the Company.
4. These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The said financial results represent the results of DLF Limited (“the Company”), its subsidiaries (together refer to as “the Group”), partnership firms, joint operations and its share in results of joint venture and associates which have been prepared in accordance with Ind AS-110 – ‘Consolidated Financial Statement’ and Ind AS – 28 – ‘Investment in Associates and Joint Ventures’.
5. The Group’s business activities which are primarily real estate development and related activities falls within a single reportable segment as the management of the Company views the entire business activities as real estate development. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 – Operating Segments with respect to single reportable segment. Further, the operations of the Company is domiciled in India and therefore there are no reportable geographical segment.
6. During the previous quarter, the Company had received a sum of ₹ 2,249.90 crores being 75% balance consideration against exercise of Warrants, out of which ₹ 776.00 crores has been utilized by the Company in the previous quarter. In current quarter, the Company has utilized ₹ 1,036.05 crores towards repayment of bank loans and ₹ 149.48 crores towards working capital requirements (including loans to subsidiaries). The balance amount of ₹ 288.37 crores is invested in Fixed Deposit/Mutual funds for further utilization.
7. Effective April 1, 2019, the Group has adopted Ind AS 116 “Leases” and applied modified retrospective approach to all lease contracts existing as at April 1, 2019 recognizing the right to use asset and corresponding liability in case where the Group is lessee. Where the Group is lessor, lease rentals are recognized on straight line basis over the non-cancellable period and consequently, period of security deposits has also been aligned as per the lease terms considered for Ind AS 116, as at April 1, 2019, Group recorded a Right to use asset amounting to ₹ 282.42 crores with a corresponding lease liability of ₹ 209.16 crores. Due to adoption of Ind AS 116, the Profit before tax for the quarter is lower by ₹ 5.06 crores and for the half year is lower by ₹ 16.58 crores.
8. Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective April 1, 2019, domestic companies have the option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New Tax Rate') subject to certain conditions. As of September 30, 2019, considering that the Company has significant amount of tax losses, unabsorbed depreciation and unutilised balance of MAT credit, the Company is in the process of evaluating as to when it should apply impact of New Tax Rate in its books of accounts. Accordingly, for the current period, no impact of the New Tax Rate has been considered in these consolidated financial results.



Notes to the Consolidated Financial Results

9. The Standalone financial results of the Company for the quarter and half year ended September 30, 2019 are available on the Company's Website <http://www.dlf.in/quarterly-results>

Key standalone financial information is given below:

(**₹ in crores**)

| Particulars | Quarter ended | | | Half year ended | | Year ended |
|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| | September 30, 2019 (Unaudited) | June 30, 2019 (Unaudited) | September 30, 2018 (Unaudited) | September 30, 2019 (Unaudited) | September 30, 2018 (Unaudited) | March 31, 2019 (Audited) |
| Total Income | 2,556.03* | 637.97 | 1,179.94 | 3,194.00 | 1,629.17 | 3,708.77 |
| Profit before tax | 1,967.31 | 801.80 | 348.53 | 2,769.11 | 302.01 | 765.66 |
| Net profit | 1,956.92 | 782.65 | 252.09 | 2,739.57 | 230.05 | 687.60 |
| Other comprehensive income/(loss) | 0.83 | (0.16) | 4.29 | 0.67 | 16.85 | (0.58) |
| Total comprehensive income | 1,957.75 | 782.49 | 256.38 | 2,740.24 | 246.90 | 687.02 |

* Includes dividend of ₹ 1,939.44 crores from DLF Cyber City Developers Limited (a Joint Venture company of the Group)

10. Key Pending Matters:

- a) (i) The Competition Commission of India (CCI) on a complaint filed by the Belaire/ Park Place owners association had passed orders dated August 12, 2011 and August 29, 2011 wherein the CCI had imposed a penalty of ₹ 630 crores on DLF Limited ("DLF" or "the Company") or, restraining DLF from formulating and imposing allegedly unfair conditions with buyers in Gurugram and further ordered to suitably modify the alleged unfair conditions on its buyers.

The said orders of CCI were challenged by DLF on several grounds by filing appeals before the Competition Appellate Tribunal (COMPAT). The COMPAT, pending hearing and till final orders had granted stay on demand of penalty of ₹ 630 crores imposed by CCI.

COMPAT vide its order dated May 19, 2014 accepted the arguments of DLF that since the agreements were entered into prior to coming into force of section 4 of the Competition Act, 2002, the clauses of the agreements entered in 2006-07 could not be looked into for establishing contravention of section 4 of the Competition Act, 2002, however, COMPAT held that the Company is a dominant player in Gurugram being the relevant market and has abused its dominant position in relation to certain actions which is violative of Section 4 of the Competition Act, 2002 and has accordingly upheld the penalty imposed by CCI.

The Company had filed an appeal in the Hon'ble Supreme Court of India against the order dated May 19, 2014 passed by the COMPAT. The Hon'ble Supreme Court of India vide order dated August 27, 2014 admitted the Appeal and directed the Company to deposit penalty of ₹ 630 crores in the Court. In compliance of the order, the Company had deposited ₹ 630 crores with the Hon'ble Supreme Court of India and is continued to be shown as recoverable.



Notes to the Consolidated Financial Results

The appeals will be listed for arguments before Hon'ble Supreme Court of India in due course.

- (ii) An order has been passed by CCI on May 14, 2015, against one of the Subsidiary Company relating to New Town Heights Project where CCI has directed the Company to cease and desist in implementation of the terms and conditions of Apartment Buyer Agreement which is found to be unfair and abusive.

No penalty has been imposed by CCI. The Subsidiary Company has filed an appeal before COMPAT against the said Order dated May 14, 2015 and appeals were dismissed by COMPAT. The Subsidiary Company against the order passed by COMPAT has filed an appeal before the Hon'ble Supreme Court.

The appeals have been tagged with the main appeal (mentioned in Para-a(i) above) and to be listed in due course before Hon'ble Supreme Court of India.

- b) During the year ended March 31, 2011, the Company, one of its subsidiary and a joint venture company received judgments from the Hon'ble High Court of Punjab and Haryana cancelling the sale deeds of land/removal of construction relating to two IT SEZ/ IT Park Projects in Gurugram admeasuring 49.05 acres. The Company and the subsidiary companies filed Special Leave Petitions (SLPs) challenging the orders in the Hon'ble Supreme Court of India.

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

Management believes that there is reasonable strong likelihood of succeeding before the Hon'ble Supreme Court of India in matters stated in point (a) and (b) above based on the advice of the independent legal counsels. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial results.

- c) (i) The Securities and Exchange Board of India (SEBI) had issued a Show Cause Notice (SCN) dated June 25, 2013 under Sections 11(1), 11(4), 11A and 11B of the SEBI Act, 1992 ("the SEBI Act") read with clause 17.1 of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 ("DIP Guidelines") and Regulation 111 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations"), and levelled certain allegations in the same.

The Company filed its reply with SEBI, placed written submissions and participated in the hearings conducted by the Hon'ble Whole Time Member, in which it replied to each allegation levelled in the said Show Cause Notice (SCN).

The Hon'ble Whole Time member however rejected the reply filed by the Company and vide its order dated October 10, 2014 restrained the Company and six others from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities, directly or indirectly, in any manner, whatsoever, for a period of three years.

The Company filed an appeal against the said order before Securities Appellate Tribunal (SAT) which vide majority order dated March 13, 2015 allowed all the appeals and the impugned order passed by SEBI has been quashed and set aside.

SEBI has filed a statutory appeal under section 15Z of SEBI Act before Hon'ble Supreme Court of India.



Notes to the Consolidated Financial Results

On April 24, 2015, the Hon'ble Supreme Court of India admitted the appeal ('Appeal') filed by SEBI and issued notice on interim application. No stay has been granted by Hon'ble Supreme Court of India in favour of SEBI.

SEBI had filed an application stating that sale of Compulsory Convertible Preference Shares ('CCPS') in DLF Cyber City Developers Limited, group company, by the promoters, to third party Institutional Investors should not be allowed during the pendency of the appeal and have sought stay from the Hon'ble Supreme Court of India on the proposed transactions. The Hon'ble Supreme Court did not pass any order and has kept the application to be heard along with the appeal.

- (ii) SEBI also issued a SCN dated August 28, 2013 under Sections 15HA and 15HB of the SEBI Act, 1992 and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by adjudicating officer) Rules, 1995 ("Adjudication Rules"), hearing on which has been completed and the Company has filed its written synopsis/submissions.

By way of orders dated February 26, 2015, the adjudicating officer of SEBI imposed penalties upon Company, some of its directors, officer, its three subsidiaries and their directors under Section 15HA and under Section 15HB of the SEBI Act, 1992.

The Company, its directors, officer, its three subsidiaries and their directors have filed appeal before SAT impugning the order dated February 26, 2015 passed by an Adjudicating Officer of SEBI. The appeal was listed before SAT and on April 15, 2015, SEBI had undertaken not to enforce the orders dated February 26, 2015 during pendency of the appeal.

The appeals were listed for hearing before SAT on April 25, 2018. The SAT vide its order passed on April 25, 2018 held that in view of SAT's majority decision dated March 13, 2015, the Adjudication Officer's decision dated February 26, 2015 cannot be sustained.

Accordingly, the Hon'ble SAT disposed of the appeals, along with intervention application. According to the judgement, the said appeals shall stand automatically revived once Hon'ble Supreme Court disposes of the Civil Appeals filed by SEBI against the SAT's judgment dated March 13, 2015.

Based on the advice of the independent legal counsel, management believes that there is reasonable strong likelihood of succeeding. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial results.

- (d) A subsidiary company has total outstanding trade receivables from Coal India Limited and its subsidiaries (together referred to as "CIL") amounting to ₹ 259.68 crores (Net of recoveries of ₹ 183.00 crores and provisions made till date). The Company and CIL had approached JSERC (Jharkhand State Electricity Regulatory Commission) for fixation of tariff who passed the order in favour of the Company and was upheld by Appellate Tribunal on July 31, 2009. CIL filed appeal to Hon'ble Supreme Court against the order of Appellate Tribunal which is pending final disposal. The Hon'ble Supreme Court issued order dated September 14, 2012 had directed CIL to pay tariff fixed by JSERC and as confirmed by Appellate Tribunal, however, the said amount is still pending recovery. The Company is pursuing legal steps for recovering the remaining outstanding amounts. The Company believes that pending final disposal of the matter and keeping in view the interim relief granted by the Hon'ble Supreme Court the amounts due from CIL are fully recoverable. In addition, there are other similar cases from other customers wherein amount involved is ₹ 137.18 crores and the Company is confident of its recovery based on the Court decisions till date and legal advice.

The above litigations as mentioned in point 10 (a), (b), (c) and (d) are subject matter of 'Emphasis of Matter' in Statutory Auditor's Limited Review Report.



Notes to the Consolidated Financial Results

11. As already reported, in the earlier period(s), disallowance of SEZ profits u/s 80IAB of the Income Tax Act, 1961 were made by the Income Tax Authorities during the assessments of the Company and its certain subsidiaries raising demands amounting to ₹ 4,119.10 crores in respect of Assessment Years from 2008-09 to 2015-16.

The Company and its respective subsidiary companies had filed appeals before the appropriate appellate authorities against these demands for the said assessment years. In certain cases, partial/full relief has been granted by the Appellate Authorities (CIT Appeal and Income Tax Appellate Tribunal). The Company, its respective subsidiaries and Income Tax Department have further preferred appeals before the higher authorities in those cases.

Based on the advice from independent tax experts and 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.

12. Exception items during the quarter includes:
- a) The Group has sold its entire stake in Nambi Buildwell Limited (formerly Nambi Buildwell Private Limited) (a subsidiary company) to DLF Cyber City Developers Limited (a Joint Venture Company of the group). The resultant Profit before tax of ₹ 165.49 crores (after elimination) has been classified under exceptional items in these Consolidated Financial Results.
 - b) The Group has acquired majority stake in DLF Homes Panchkula Private Limited (in which the Group earlier held 39.50% stake). Consequently, DLF Homes Panchkula Private Limited has become subsidiary company w.e.f. September 25, 2019 and accordingly consolidated in these financials statements. The resultant Profit before tax of ₹ 44.04 crores (after elimination) has been classified under exceptional items in these Consolidated Financial Results.
 - c) During the quarter, the Group has reassessed its business plan w.r.t its club properties. Based on these plans, Group has recognized an impairment loss of ₹ 65.97 crores. This amount has been disclosed as an Exceptional item in these consolidated financial results.
13. a) The Group has acquired 100% equity stake in Oriel Real Estates Private Limited (Oriel) at a consideration of ₹ 11.94 crores. Consequently, Oriel has become wholly owned subsidiary of the Company w.e.f. August 14, 2019 and accordingly consolidated in these financials results.
- b) A Scheme of Amalgamation/ Arrangement has been filed before the National Company Law Tribunal (NCLT) for merger of DLF Property Developers Limited, Ghaliya Builders & Developers Private Limited and Genisys Property Builders & Developers Private Limited with DLF Luxury Homes Limited All the entities are wholly-owned subsidiaries of the Group.

The order of sanction of the scheme is awaited and hence, no effect thereto has been taken in these Consolidated Financial Results.



Notes to the Consolidated Financial Results

14. Subsequent to the quarter end:

- a) The Group has sold its entire stake in DLF Info Park Developers (Chennai) Limited (wholly owned subsidiary) to DLF Cyber City Developers Limited (a Joint Venture company of the group). Accordingly, Assets and Liabilities related to DLF Info Park Developers (Chennai) Limited has been disclosed under “Assets Held for Sale” in these consolidated financial results.
- b) The Group has sold its entire equity shareholding and Compulsorily Convertible debentures in Fairleaf Real Estates Private Limited (a Joint Venture company) to DLF Cyber City Developers Limited (a Joint Venture company of the group). Accordingly, Assets and Liabilities related to Fairleaf Real Estates Private Limited has been disclosed under “Assets Held for Sale” in these consolidated financial results.
- c) Mr. Vivek Anand has been appointed as Group Chief Financial Officer of the Company vide approval of the Board of Directors in its meeting held on November 7, 2019.

On behalf of the Board of Directors

Place: New Delhi
Date: November 7, 2019

Mohit Gujral
CEO & Whole-time Director

Rajeev Talwar
CEO & Whole-time Director



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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
DLF Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of DLF Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, joint ventures and joint operations for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities enumerated in Annexure-1.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing



Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note no. 10 of the Statement which describes the uncertainty relating to outcome of following lawsuits filed against the Company:
 - a) In a complaint filed against the Company relating to imposing unfair conditions on buyers, the Competition Commission of India has imposed a penalty of Rs. 630 crore on the Company which was upheld by Competition Appellate Tribunal. The Company has filed an appeal which is currently pending with Hon'ble Supreme Court of India and has deposited Rs. 630 crore under protest as per direction of the Hon'ble Supreme Court of India. Similar case has been filed against one of the subsidiary company with CCI which is pending with Supreme Court. No penalty has been levied in the said case.
 - b) In a writ filed with Hon'ble High Court of Punjab and Haryana, the Company, one of its subsidiary and a joint venture Company have received judgments cancelling the sale deeds of land /removal of structure relating to two IT SEZ/ IT Park Projects in Gurgaon. The Company, its joint venture company and subsidiaries filed Special Leave petitions (SLPS) challenging the orders which is currently pending with Hon'ble Supreme Court of India. The Hon'ble Supreme Court has admitted the matters and stayed the operation of the impugned judgments till further orders in both the cases.
 - c) Securities and Exchange Board of India (SEBI) in a complaint filed against the Company, imposed certain restrictions on the Company. The Company had received a favorable order against the appeal in said case from Securities Appellate Tribunal (SAT). SEBI, subsequently, has filed a statutory appeal which is currently pending before Hon'ble Supreme Court. SEBI has also imposed penalties upon the Company, some of its directors, officers, its three subsidiaries and their directors which has been disposed of by SAT with a direction that these appeals will stand automatically revived upon disposal of civil appeal filed by SEBI against aforementioned SAT judgement.
 - d) In respect of ongoing legal cases, wherein one of the Company's subsidiary has outstanding trade receivables of Rs. 396.86 crore from customers, which is currently sub-judice. Despite favorable order by Hon'ble Supreme Court of India and other levels the amount is pending recovery for over 4 years. Based on the decisions obtained in the subsidiary company's favour, and legal advice obtained from external counsel by the subsidiary company, the amounts outstanding as at September 30, 2019 have been considered good for recovery by the management.

Based on the advice of the external legal counsels, no adjustment has been considered in these financial results by the management in respect of above matters. Our conclusion is not modified in respect of these matters.

7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information of 81 subsidiaries and 1 partnership firm, whose interim financial results and other financial information reflect Group's share of total assets of Rs. 7,346.03 Crore as at September 30, 2019, and Group's share of total revenues of Rs. 445.49 Crore and Rs. 561.25 Crore, Group's share of total net loss after tax of Rs. 14.69 Crore and Rs. 139.04 Crore, Group's share of total comprehensive loss of Rs. 14.78 Crore and Rs. 139.09 Crore, for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, and net cash outflows of Rs. 80.18 Crore for the period from April 01, 2019 to September 30, 2019, as considered in the Statement, which have been reviewed by their respective independent auditors. The Statement also includes the Group's share of net profit after tax of Rs. 1.66 Crore and Rs. 5.39 Crore and total



S.R. BATLIBOI & CO. LLP

Chartered Accountants

comprehensive income of Rs. 1.66 Crore and Rs. 5.39 Crore, for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, as considered in the Statement, in respect of 5 joint ventures, whose interim financial information/financial results have been reviewed by their respective independent auditors. The independent auditor's reports on interim financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, partnership firms and joint ventures is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

8. The accompanying Statement of unaudited consolidated financial results include unaudited interim financial information/ financial results and other unaudited financial information in respect of 1 partnership firm and 2 joint operations, which have not been reviewed by their auditors, whose interim financial information/ financial results reflect Group's share of total assets of Rs. 68.69 Crore as at September 30, 2019, Group's share of total revenues of Rs. Nil and Rs. Nil, Group's share of total net loss after tax of Rs. 1.42 Crore and Rs. 2.83 Crore, Group's share of total comprehensive loss of Rs. 1.42 Crore and Rs. 2.83 Crore, for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, and net cash inflows of Rs. 0.06 Crore for the period from April 1, 2019 to September 30, 2019, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 0.16 Crore and Rs 0.33 Crore and total comprehensive loss of Rs. 0.16 Crore and Rs. Rs 0.33 Crore, for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, as considered in the Statement, in respect of 1 associate and 1 joint venture company, based on their interim financial information/ financial results which have not been reviewed by their auditors. These unaudited interim financial information/ financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these partnership firms, joint ventures, joint operations and associates, is based solely on such unaudited interim financial statement/financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial information/financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Management.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per Manoj Kumar Gupta

Partner

Membership No.: 83906



UDIN: 19083906AAAABQ7967

Place: New Delhi

Date: November 07, 2019

| S.no | Company Name | S.no | Company Name |
|------|--|------|---|
| | <i>Subsidiaries and partnership firms</i> | | |
| 1 | Abhigyan Builders & Developers Private Limited | 42 | DLF Office Developers (Partnership Firm) |
| 2 | Abhiraj Real Estate Private Limited | 43 | DLF Phase IV Commercial Developers Limited |
| 3 | Adeline Builders & Developers Private Limited | 44 | DLF Projects Limited |
| 4 | Americus Real Estate Private Limited | 45 | DLF Property Developers Limited |
| 5 | Amishi Builders & Developers Private Limited | 46 | DLF Real Estate Builders Limited |
| 6 | Angelina Real Estates Private Limited | 47 | DLF Recreational Foundation Limited |
| 7 | Ariadne Builders & Developers Private Limited | 48 | DLF Residential Builders Limited |
| 8 | Armand Builders & Constructions Private Limited | 49 | DLF Residential Developers Limited |
| 9 | Benedict Estates Developers Private Limited | 50 | DLF Residential Partners Limited |
| 10 | Beyla Builders & Developers Private Limited | 51 | DLF Southern Towns Private Limited |
| 11 | Bhamini Real Estate Developers Private Limited | 52 | DLF Universal Limited |
| 12 | Breeze Constructions Private Limited | 53 | DLF Utilities Limited |
| 13 | Chakradharee Estates Developers Private Limited | 54 | Domus Real Estates Private Limited |
| 14 | Chandrajyoti Estate Developers Private Limited | 55 | Eastern India Powertech Limited |
| 15 | Dae Real Estates Private Limited | 56 | Edward Keventer (Successors) Private Limited |
| 16 | Daffodil Hotels Private Limited | 57 | Elvira Builders & Constructions Private Limited |
| 17 | Dalmia Promoters & Developers Private Limited | 58 | Faye Builders & Constructions Private Limited |
| 18 | Delanco Home & Resorts Private Limited | 59 | Galleria Property Management Services Private Limited |
| 19 | Delanco Realtors Private Limited | 60 | Ghaliya Builders & Developers Private Limited |
| 20 | Deltaland Buildcon Private Limited | 61 | Hansel Builders & Developers Private Limited |
| 21 | DLF Aspinwal Hotels Private Limited | 62 | Isabel Builders & Developers Private Limited |
| 22 | DLF Builders & Developers Private Limited (formerly SC Hospitality Private Limited) (formerly Saket Courtyard Hospitality Private Limited) | 63 | Lada Estates Private Limited |
| 23 | DLF Cochin Hotels Private Limited | 64 | Latona Builders & Constructions Private Limited |
| 24 | DLF Commercial Developers Limited | 65 | Lear Builders & Developers Private Limited |
| 25 | DLF Commercial Projects Corporation (Partnership Firm) | 66 | Lempo Buildwell Private Limited |
| 26 | DLF Emporio Restaurants Limited | 67 | Liber Buildwell Private Limited |
| 27 | DLF Energy Private Limited | 68 | Livana Builders & Developers Private Limited |
| 28 | DLF Estate Developers Limited | 69 | Lizebeth Builders & Developers Private Limited |
| 29 | Tiberias Developers Limited (formerly known as DLF Finvest Limited) | 70 | Lodhi Property Company Limited |
| 30 | DLF Garden City Indore Private Limited | 71 | Mariabella Builders & Developers Private Limited |
| 31 | DLF Gayatri Developers (Partnership Firm) | 72 | Melosa Builders & Developers Private Limited |
| 32 | DLF Golf Resorts Limited | 73 | Mens Buildcon Private Limited |
| 33 | DLF Green Valley (Partnership Firm) | 74 | Narooma Builders & Developers Private Limited |
| 34 | DLF Home Developers Limited | 75 | Nellis Builders & Developers Private Limited |
| 35 | DLF Homes Goa Private Limited | 76 | Niobe Builders & Developers Private Limited |
| 36 | DLF Homes Panchkula Private Limited (w.e.f. September 25, 2019) | 77 | Nudhar Builders & Developers Private Limited |
| 37 | DLF Homes Services Private Limited | 78 | Paliwal Developers Limited |
| 38 | DLF Info Park (Pune) Limited | 79 | Phoena Builders & Developers Private Limited |
| 39 | DLF Info Park Developers (Chennai) Limited | 80 | Pyrite Builders & Constructions Private Limited |
| 40 | DLF Luxury Homes Limited (formerly DLF GK Residency Limited) | 81 | Qabil Builders & Constructions Private Limited |
| 41 | Genisys Property Builders & Developers Private Limited | 82 | Rachelle Builders & Constructions Private Limited |
| | | 83 | Rational Builders and Developers (Partnership Firm) |
| | | 84 | Riveria Commercial Developers Limited |
| | | 85 | Rochelle Builders & Constructions Private Limited |
| | | 86 | Royalton Builders & Developers Private Limited |
| | | 87 | Saket Holiday Resorts Private Limited |



S.R. BATLIBOI & CO. LLP

Chartered Accountants

| S.no | Company Name | S.no | Company Name |
|-----------------------|---|-------------------------|--|
| 88 | Shivaji Marg Maintenance Services Limited | 104 | DLF Promenade Limited |
| 89 | Urvasi Infratech Private Limited | 105 | DLF Assets Private Limited |
| 90 | Vibodh Developers Private Limited | 106 | DLF SBPL Developer Private Limited |
| 91 | Vkarma Capital Investment Management Company Private Limited | 107 | DLF City Centre Limited |
| 92 | Vkarma Capital Trustee Company Private Limited | 108 | DLF Emporio Limited |
| 93 | Webcity Builders & Developers Private Limited | 109 | DLF Power & Services Limited |
| 94 | DLF Infocity Chennai Limited | 110 | DLF Gayatri Home Developers Limited |
| 95 | DLF Infocity Hyderabad Limited | 111 | DLF Info City Developers (Chandigarh) Limited |
| 96 | Kolkata International Convention Centre Limited | 112 | DLF Info City Developers (Kolkata) Limited |
| 97 | Chamundeswari Builders Private Limited (w.e.f. April 11,2019) | 113 | DLF Urban Private Limited |
| 98 | Oriel Real Estates Private Limited (w.e.f. August 14, 2019) | 114 | Joyous Housing Limited |
| Associate | | 115 | Richmond Park Property Management Services Limited |
| 99 | Arizona Global Services Private Limited | 116 | Fairleaf Real Estate Private Limited (Formerly YG Realty Private Limited) |
| Joint ventures | | 117 | DLF Mid town Private Limited |
| 100 | DLF Cyber City Developers Limited | 118 | Nambi Buildwell Private Limited (w.e.f. September 30, 2019) |
| 101 | Aadarshini Real Estate Developers Private Limited | 119 | Paliwal Real Estate Limited (w.e.f. May 28, 2019) |
| 102 | DLF Lands India Private Limited (formerly Berenice Real Estate Private Limited) (w.e.f. April 25, 2019) | 120 | Spazio Projects and Interiors Private Limited |
| 103 | Designplus associates Service Private Limited | Joint Operations | |
| | | 121 | Banjara Hills Hyderabad Complex (AOP) |
| | | 122 | GSG DRDL AOP |



DLF Limited



Regd. Office: Shopping Mall, 3rd Floor, Arjun Marg, DLF City, Gurugram - 122 022 (Haryana), India.
CIN - L70101HR1963PLC002484, Website : www.dlf.in
Tel.: +91-124-4334200, Fax: +91-124-4769250

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

| SL NO. | PARTICULARS | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED 31.03.2019 (Audited) |
|--------|--|---------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
| | | 30.09.2019 (Unaudited) | 30.06.2019 (Audited) | 30.09.2018 (Unaudited) | 30.09.2019 (Unaudited) | 30.09.2018 (Unaudited) | |
| 1 | Income | | | | | | |
| | a) Revenue from operations | 529.26 | 504.74 | 1,071.54 | 1,034.00 | 1,427.81 | 3,295.39 |
| | b) Other income | 2,026.77 | 133.23 | 108.40 | 2,160.00 | 201.36 | 413.38 |
| | Total income | 2,556.03 | 637.97 | 1,179.94 | 3,194.00 | 1,629.17 | 3,708.77 |
| 2 | Expenses | | | | | | |
| | a) Cost of land, plots, development rights, constructed properties and others | 250.30 | 263.14 | 499.80 | 513.44 | 675.01 | 1,595.52 |
| | b) Employee benefits expense | 48.11 | 43.39 | 44.18 | 91.50 | 86.83 | 197.71 |
| | c) Finance costs | 125.82 | 168.57 | 181.63 | 294.39 | 367.98 | 739.94 |
| | d) Depreciation and amortisation expense | 20.35 | 21.22 | 30.86 | 41.57 | 62.18 | 124.86 |
| | e) Other expenses | 129.83 | 96.98 | 74.94 | 226.81 | 135.16 | 285.08 |
| | Total expenses | 574.41 | 593.30 | 831.41 | 1,167.71 | 1,327.16 | 2,943.11 |
| 3 | Profit before exceptional items and tax (1-2) | 1,981.62 | 44.67 | 348.53 | 2,026.29 | 302.01 | 765.66 |
| 4 | Exceptional items (net) | (14.31) | 757.13 | - | 742.82 | - | - |
| 5 | Profit before tax | 1,967.31 | 801.80 | 348.53 | 2,769.11 | 302.01 | 765.66 |
| 6 | Tax expenses * | 10.39 | 19.15 | 96.44 | 29.54 | 71.96 | 78.06 |
| 7 | Net profit for the period / year (5-6) | 1,956.92 | 782.65 | 252.09 | 2,739.57 | 230.05 | 687.60 |
| 8 | Other comprehensive income / (loss) | | | | | | |
| | a) Items that will not be reclassified to profit and loss in subsequent period | 1.28 | (0.25) | 0.11 | 1.03 | 0.11 | (0.89) |
| | b) Income tax relating to items that will not be reclassified to profit and loss | (0.45) | 0.09 | (0.04) | (0.36) | (0.04) | 0.31 |
| | c) Items that will be reclassified to profit or loss in subsequent period | - | - | 6.48 | - | 25.79 | - |
| | d) Income tax relating to items that will be reclassified to profit or loss | - | - | (2.26) | - | (9.01) | - |
| | Other comprehensive income / (loss) | 0.83 | (0.16) | 4.29 | 0.67 | 16.85 | (0.58) |
| 9 | Total comprehensive income / (loss) for the period / year (7+8) | 1,957.75 | 782.49 | 256.38 | 2,740.24 | 246.90 | 687.02 |
| 10 | Paid-up equity share capital (face value of ₹ 2 per share) | 495.06 | 495.06 | 356.87 | 495.06 | 356.87 | 441.44 |
| 11 | Other equity (Including warrants) | | | | | | 22,638.48 |
| 12 | Earnings per equity share (face value of ₹ 2 per share) (not annualised) | | | | | | |
| | Basic (₹) | 7.91 | 3.45 | 1.41 | 11.55 | 1.29 | 3.85 |
| | Diluted (₹) | 7.91 | 3.29 | 1.15 | 11.29 | 1.05 | 3.13 |

* Tax expense includes current tax, deferred tax and minimum alternate tax.



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1. Statement of Assets and Liabilities:

(₹ in crores)

| Particulars | As at 30.9.2019 (Unaudited) | As at 31.03.2019 (Audited) |
|--|-----------------------------------|----------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 269.81 | 280.47 |
| Right to use assets | 60.79 | - |
| Capital work-in-progress | 0.23 | 18.80 |
| Investment property | 1,243.86 | 1,273.95 |
| Other intangible assets | 154.87 | 157.83 |
| Investment in subsidiaries, associates, joint ventures and partnership firms | 14,782.43 | 9,535.90 |
| Financial assets | | |
| Investments | 94.30 | 91.89 |
| Loans | 499.05 | 457.41 |
| Other financial assets | 152.57 | 132.90 |
| Deferred tax assets (net) | 3,644.61 | 3,674.51 |
| Non-current tax assets (net) | 595.19 | 613.77 |
| Other non current assets | 672.07 | 681.63 |
| Total non-current assets | 22,169.78 | 16,919.06 |
| Current assets | | |
| Inventories | 11,187.00 | 11,357.26 |
| Financial assets | | |
| Trade receivables | 174.32 | 170.80 |
| Cash and cash equivalents | 1,203.40 | 3,545.03 |
| Other bank balances | 69.21 | 67.80 |
| Loans | 6,378.32 | 2,219.56 |
| Other financial assets | 429.23 | 487.07 |
| Other current assets | 314.40 | 230.65 |
| Total current assets | 19,755.88 | 18,078.17 |
| Assets classified as held for sale | 320.00 | 2,158.11 |
| Total assets | 42,245.66 | 37,155.34 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 495.06 | 441.44 |
| Warrant | - | 750.10 |
| Other equity | 27,067.06 | 21,888.38 |
| Total Equity | 27,562.12 | 23,079.92 |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | 2,111.90 | 1,999.89 |
| Trade payables | | |
| (a) total outstanding dues of micro enterprises and small enterprises | - | - |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | 794.19 | 794.19 |
| Other non-current financial liabilities | 197.51 | 162.49 |
| Long term provisions | 29.69 | 26.75 |
| Other non-current liabilities | 16.86 | 42.85 |
| | 3,150.15 | 3,026.17 |
| Current liabilities | | |
| Financial liabilities | | |
| Borrowings | 2,065.34 | 1,378.97 |
| Trade payables | | |
| (a) total outstanding dues of micro enterprises and small enterprises | 12.16 | 14.43 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | 828.93 | 706.38 |
| Other current financial liabilities | 1,114.92 | 1,270.06 |
| Other current liabilities | 7,503.27 | 7,661.12 |
| Provisions | 8.77 | 18.29 |
| Total liabilities | 11,533.39 | 11,049.25 |
| Total equity and liabilities | 42,245.66 | 37,155.34 |



2. Statement of Cash Flow:



(₹ in crores)

| Particulars | As at 30.9.2019 (Unaudited) | As at 30.9.2018 (Unaudited) |
|---|-----------------------------------|-----------------------------------|
| A. Operating activities | | |
| Profit before tax | 2,769.11 | 302.01 |
| Depreciation, amortisation and impairment expense | 41.57 | 62.18 |
| Profit/(loss) on sale of property, plant and equipment (net) | 0.01 | (0.25) |
| Rental income on account of discounting of security deposits and straight lining effect | (33.21) | (13.81) |
| Amount forfeited on properties | (1.92) | (0.46) |
| Assets written off | 12.55 | 0.03 |
| Finance cost (including fair value change in financial instruments) | 294.39 | 367.98 |
| Interest income (including fair value change in financial instruments) | (223.38) | (176.87) |
| Loss from partnership firms (net) | 55.98 | 5.39 |
| (Gain)/Loss on fair valuation of financial instruments through P&L including derivatives | (18.49) | 6.82 |
| Net foreign exchange differences | 0.01 | 7.56 |
| Unclaimed balances and excess provisions written back | (1.13) | (1.76) |
| Dividend income | (1,960.48) | (22.99) |
| Profit on sale of mutual fund | (1.96) | - |
| Impairment for doubtful advances/ allowance for expected credit loss | 2.59 | 4.58 |
| Exceptional items | (742.82) | - |
| | 192.82 | 540.41 |
| Working capital adjustments: | | |
| Decrease /(Increase) in trade receivables | 3.37 | (33.89) |
| Decrease in inventories | 183.63 | 167.08 |
| (Increase)/Decrease in other current and non-current assets | (107.50) | 57.73 |
| Decrease/(Increase) in other current and non-current financial assets | 65.49 | (12.86) |
| Decrease in other current and non-current financial liabilities | (189.35) | (267.36) |
| (Decrease)/Increase in current and non-current provisions | (5.55) | 2.14 |
| (Decrease)/Increase in other current and non-current liabilities | (151.42) | 322.68 |
| Increase in current and non-current trade payables | 94.65 | 190.49 |
| | 86.14 | 966.42 |
| Income taxes paid (net of refund) | 18.58 | (47.60) |
| Net cash flow from operating activities (A) | 104.72 | 918.82 |
| B. Investing activities | | |
| Proceeds from sale of property, plant and equipment and capital work-in-progress | 2,947.24 | 0.25 |
| Purchase of property, plant and equipment, investment property and capital work-in-progress | (28.99) | (17.37) |
| Purchase of investments in subsidiary companies/partnership firms | (5,662.17) | 0.49 |
| Proceeds from sale of investments in subsidiary company | 85.24 | 304.02 |
| Proceeds from sale of mutual funds | 6,852.30 | - |
| Purchase of mutual funds | (6,858.50) | - |
| Investment in fixed deposit with maturity more than 3 months (financial instruments) | (52.97) | (423.84) |
| Redemption in fixed deposit with maturity more than 3 months (financial instruments) | 51.57 | 512.24 |
| Loans given to subsidiary companies, partnership firms, associates and joint ventures | (4,623.43) | (1,042.72) |
| Loans repaid by subsidiary companies, partnership firms, associates and joint ventures | 533.14 | 119.46 |
| Interest received | 65.24 | 154.84 |
| Dividend received | 1,960.48 | 19.94 |
| Net cash flow used in investing activities (B) | (4,730.85) | (372.69) |
| C. Financing activities | | |
| Proceeds from exercise of share options | - | 0.05 |
| Redemption of debentures | (345.00) | (407.50) |
| Proceeds from non-current borrowings (including current maturities) | 990.00 | - |
| Repayment of non-current borrowings (including current maturities) | (546.04) | (564.18) |
| Issue of warrant | 2,249.90 | - |
| Proceeds of current borrowings | 877.00 | 350.00 |
| Repayment of current borrowings | (182.54) | (64.23) |
| Interest paid | (247.14) | (309.16) |
| Dividend paid | (495.06) | (142.75) |
| Dividend distribution tax | (19.62) | - |
| Net cash flow (used in)/from financing activities (C) | 2,281.50 | (1,137.77) |
| Net increase in cash and cash equivalents (A+B+C) | (2,344.64) | (591.64) |
| Cash and cash equivalents at the beginning of the year | 3,543.20 | 896.50 |
| Cash and cash equivalents at year end (net of overdraft) | 1,198.56 | 304.86 |
| Components of cash and cash equivalents: | | |
| Cash on hand | 0.42 | 0.43 |
| Balances with banks: | | |
| On current accounts | 1,202.98 | 244.41 |
| On deposits with original maturity of less than three months | - | 70.00 |
| | 1,203.40 | 314.84 |
| Less: Book overdraft | (4.84) | (9.98) |
| | 1,198.56 | 304.86 |



Notes to the Standalone Financial Results

3. The above unaudited standalone financial results of DLF Limited ('the Company') have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 07, 2019. The statutory auditors have carried out Limited Review of above financial results of the Company.
4. These unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
5. The Company's business activities which are primarily real estate development and related activities falls within a single reportable segment as the management of the Company views the entire business activities as real estate development. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 – Operating Segments with respect to single reportable segment. Further, the operations of the Company is domiciled in India and therefore there are no reportable geographical segment.
6. During the quarter, the Company has acquired 100% equity stake in Oriel Real Estates Private Limited (Oriel) at a consideration of ₹ 11.94 crores. Consequently, Oriel has become wholly owned subsidiary of the company w.e.f. August 14, 2019.
7. During the previous quarter, the Company had received a sum of ₹ 2,249.90 crores being 75% balance consideration against exercise of Warrants, out of which ₹ 776.00 crores has been utilized by the Company in the previous quarter. In current quarter, the Company has utilized ₹ 1,036.05 crores towards repayment of bank loans (including loans to subsidiaries) and ₹ 149.48 crores towards working capital requirements (including loans to subsidiaries). The balance amount of ₹ 288.37 crores is invested in Fixed Deposit/Mutual funds for further utilization.
8. During the quarter, the Company has received dividend of ₹ 1,939.44 crores from DLF Cyber City Developers Limited (a Joint Venture company of the Company) which is included in Other Income.
9. During the quarter, the Company has reassessed its business plan w.r.t its club properties. Based on these plans, Company has recognized an impairment loss of ₹ 14.31 crores. This amount has been disclosed as an Exceptional item in these standalone financial results.
10. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at April 1, 2019 recognizing the right to use asset and corresponding liability in case where the Company is lessee. Where the Company is lessor, lease rentals are recognized on straight line basis over the non-cancellable period and consequently, period of security deposits has also been aligned as per the lease terms considered for Ind AS 116. Due to adoption of Ind AS 116, as at April 1, 2019, Company recorded a Right to use asset amounting to ₹ 67.43 crores with a corresponding lease liability of ₹ 66.87 crores. Further, the Profit before tax for the quarter is lower by ₹ 1.88 crores and for the half year is lower by ₹ 9.77 crores.
11. Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective April 1, 2019, domestic companies have the option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New Tax Rate') subject to certain conditions. As of September 30, 2019, considering that the Company has significant amount of tax losses, unabsorbed depreciation and unutilised balance of MAT credit, the Company is in the process of evaluating as to when it should apply impact of New Tax Rate in its books of accounts. Accordingly, for the current period, no impact of the New Tax Rate has been considered in these standalone financial results.



Notes to the Standalone Financial Results

12. Key Pending matters:

- a) The Competition Commission of India (CCI) on a complaint filed by the Belaire / Park Place owners association had passed orders dated August 12, 2011 and August 29, 2011 wherein the CCI had imposed a penalty of ₹ 630 crores on DLF Limited (“DLF” or “the Company”) or, restraining DLF from formulating and imposing allegedly unfair conditions with buyers in Gurugram and further ordered to suitably modify the alleged unfair conditions on its buyers.

The said orders of CCI were challenged by DLF on several grounds by filing appeals before the Competition Appellate Tribunal (COMPAT). The COMPAT, pending hearing and till final orders had granted stay on demand of penalty of ₹ 630 Crores imposed by CCI.

COMPAT vide its order dated May 19, 2014 accepted the arguments of DLF that since the agreements were entered into prior to coming into force of section 4 of the Act, the clauses of the agreements entered in 2006-07 could not be looked into for establishing contravention of section 4 of the Competition Act, 2002, however COMPAT held that the Company is a dominant player in Gurugram being the relevant market and has abused its dominant position in relation to certain actions which is violative of Section 4 of the Competition Act, 2002 and has accordingly upheld the penalty imposed by CCI.

The Company had filed an appeal in the Hon’ble Supreme Court of India against the order dated May 19, 2014 passed by the COMPAT. The Hon’ble Supreme Court of India vide order dated August 27, 2014 admitted the Appeal and directed the Company to deposit penalty of ₹ 630 crores in the Court. In compliance of the order, the Company had deposited ₹ 630 crores with the Hon’ble Supreme Court of India and is continued to be shown as recoverable.

The appeals will be listed for arguments before Hon’ble Supreme Court of India in due course.

- b) During the year ended March 31, 2011, the Company and two of its group companies received judgments from the Hon’ble High Court of Punjab and Haryana cancelling the sale deeds of land/removal of construction relating to two IT SEZ/ IT Park Projects in Gurugram admeasuring 49.05 acres. The Company filed Special Leave petitions (SLPs) challenging the orders in the Hon’ble Supreme Court of India.

The Hon’ble Supreme Court of India had admitted the matter and stayed the operation of the impugned judgments till further orders.

Management believes there is reasonable likelihood of succeeding before the Hon’ble Supreme Court of India in matters stated in point (a) & (b) above based on the advice of the independent legal counsels. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial results.

- c) i) The Securities and Exchange Board of India (SEBI) had issued a Show Cause Notice (SCN) dated June 25, 2013 under Sections 11(1), 11(4), 11A and 11B of the SEBI Act, 1992 (“the SEBI Act”) read with clause 17.1 of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 (“DIP Guidelines”) and Regulation 111 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“ICDR Regulations”), and levelled certain allegations in the same.

The Company filed its reply with SEBI, placed written submissions and participated in the hearings conducted by the Hon’ble Whole Time Member, in which it replied to each allegation in the said Show Cause Notice (SCN).



Notes to the Standalone Financial Results

The Hon'ble Whole Time member however rejected the reply filed by the Company and vide its order dated October 10, 2014 restrained the Company and six others from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities, directly or indirectly, in any manner, whatsoever, for a period of three years.

The Company has filed an appeal against the said order before Securities Appellate Tribunal (SAT) vide majority order dated March 13, 2015 allowed all the appeals and the impugned order passed by SEBI has been quashed and set aside.

SEBI has filed a statutory appeal under section 15Z of SEBI Act before Hon'ble Supreme Court of India.

On April 24, 2015, the Hon'ble Supreme Court of India admitted the appeal ('Appeal') filed by SEBI and issued notice on interim application. No stay has been granted by Hon'ble Supreme Court of India in favour of SEBI.

SEBI had filed an application stating that sale of Compulsory Convertible Preference Shares ('CCPS') in DLF Cyber City Developers Limited, a group company, by the promoters, to third party Institutional Investors should not be allowed during the pendency of the appeal and have sought stay from the Hon'ble Supreme Court of India on the proposed transactions. The Hon'ble Supreme Court of India did not pass any order and has kept the application to be heard along with the appeal.

- ii) SEBI also issued a SCN dated August 28, 2013 under Sections 15HA and 15HB of the SEBI Act, 1992 and under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 ("Adjudication Rules"), hearing on which has been completed and the Company has filed its written synopsis/submissions.

By way of order dated February 26, 2015, the adjudicating officer of SEBI imposed penalties upon Company, some of its directors and officer under Section 15HA and under Section 15HB of the SEBI Act, 1992.

The Company, its directors and officer have filed appeal before SAT impugning the order dated February 26, 2015 passed by an Adjudicating Officer of SEBI. The appeal was listed before SAT and in its order dated April 15, 2015, SEBI had undertaken not to enforce the order dated February 26, 2015 during pendency of the appeal.

The appeals were listed for hearing before SAT on April 25, 2018. The SAT vide its order passed on April 25, 2018, held that in view of SAT's majority decision dated March 13, 2015, the Adjudication Officer's decision dated February 26, 2015 cannot be sustained.

Accordingly, the Hon'ble SAT disposed of the appeals, along with intervention application. According to the judgement, the said appeals shall stand automatically revived once Hon'ble Supreme Court disposes of the Civil Appeals filed by SEBI against the SAT's judgment dated March 13, 2015.

Based on the advice of the independent legal counsel, management believes that there is reasonable strong likelihood of succeeding. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial results.

The above litigations as mentioned in point 12 (a), (b) and (c) are subject matter of 'Emphasis of Matter' in Statutory Auditor's Limited Review Report.



Notes to the Standalone Financial Results

13. As already reported, in the earlier period(s), disallowance of SEZ profits u/s 80IAB of the Income Tax Act, 1961 were made by the Income Tax Authorities in the tax assessments of the Company raising demands amounting to ₹ 1,068.40 crores in respect of Assessment Years from 2008-09 to 2015-16.

The Company had filed appeals before the appropriate appellate authorities against these demands for the said assessment years. In certain cases partial/full relief has been granted by the Appellate Authorities. The Company and Income Tax Department have further preferred appeals before the higher authorities in those cases.

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 standalone financial results.

14. Subsequent to the quarter end:
- a) The Company has sold its entire stake in DLF Info Park Developers (Chennai) Limited (wholly owned subsidiary) to DLF Cyber City Developers Limited (a Joint Venture company of the group). Accordingly, investment related to DLF Info Park Developers (Chennai) Limited has been disclosed under “Asset Held for Sale” in these standalone financial results.
 - b) Mr. Vivek Anand has been appointed as Group Chief Financial Officer of the Company vide approval of the Board of Directors in its meeting held on November 07, 2019.
15. **Disclosure under Regulation 52(4) and Regulation 54 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-**

In compliance with the above SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the following information as on September 30, 2019 on stand-alone basis in respect of Redeemable Non-Convertible Debentures (NCDs):-

(a)

| Sl. No. | Heading | As at 30.09.2019 | As at 31.03.2019 |
|---------|---|------------------|------------------|
| 1 | Asset Cover available | (Note 1) | (Note 1) |
| 2 | Debt Equity Ratio (Note 2) | 0.19 | 0.19 |
| 3 | Debt Service Coverage Ratio (Note 3) | 1.96 | 0.53 |
| 4 | Interest Service Coverage Ratio (Note 4) | 7.88 | 2.03 |
| 5 | Outstanding redeemable preference shares | Not Applicable | Not Applicable |
| 6 | Debenture Redemption Reserve (In ₹ crore) | 86.25 | 155.25 |
| 7 | Net worth (In ₹. crore) | 27,562.12 | 23,079.93 |
| 8 | Net profit after tax (In ₹ crore) | 2,739.57 | 687.60 |
| 9 | Earnings per share (In ₹) – Basic | 11.55 | 3.85 |
| 10 | Earnings per share (In ₹) – Diluted | 11.29 | 3.13 |



Notes to the Standalone Financial Results

Notes:

- 1) Listed NCDs are secured and asset cover is more than hundred percent of principal outstanding. NCDs are secured by way of pari passu charge on the immovable property situated at New Delhi, owned by a subsidiary company.
- 2) Debt Equity Ratio = [Loans Funds/Shareholders Funds (Share Capital + Reserve & surplus)]
- 3) Debt Service Coverage Ratio = [Earnings before interest expenses and tax/(Interest Charged + Principal repayment of long term borrowing during the period)]
- 4) Interest Service Coverage Ratio = [Earnings before interest and tax/Interest Charged]

(b)

| ISIN Nos | Previous due date of | | | Next due date of | | | |
|--------------|----------------------|-------------------|--|------------------|---------------------|-------------------|------------------------------------|
| | Interest payment | Principal payment | Interest/ principal has been paid or not | Interest payment | Interest Amount Due | Principal payment | Principal Amount Due (₹ in crores) |
| INE271C07137 | 31.10.2019 | NA | Paid | 02.12.2019 | 2.68 | 11-Aug-2020 | 250.00 |
| INE271C07178 | 31.10.2019 | NA | Paid | 02.12.2019 | 1.02 | 11-Aug-2020 | 95.00 |

(c) The credit rating of aforesaid listed Redeemable NCDs has been assigned as ICRA A+(Positive). During the quarter, Company has made timely payment towards redemption of debentures amounting ₹ 345.00 crore.

On behalf of the Board of Directors

Place: New Delhi
Date: November 07, 2019

Mohit Gujral
CEO & Whole-time Director

Rajeev Talwar
CEO & Whole-time Director



12

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
DLF Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of DLF Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and based on the consideration of the review reports of other auditors of the partnership firm as referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note no. 12 of the Statement which describes the uncertainty relating to outcome of following lawsuits filed against the Company:
 - a) In a complaint filed against the Company relating to imposing unfair conditions on buyers, the Competition Commission of India has imposed a penalty of Rs. 630 crores on the Company which was upheld by Competition Appellate Tribunal. The Company has filed an appeal which is currently pending with Hon'ble Supreme Court of India and has deposited Rs. 630 crores under protest as per direction of the Hon'ble Supreme Court of India. Our conclusion is not modified in respect of this matter.
 - b) In a writ filed with Hon'ble High Court of Punjab and Haryana, the Company, one of its subsidiary and a joint venture company have received judgments cancelling the sale deeds of land /removal of structure relating to two IT SEZ/ IT Park Projects in Gurgaon. The Company, its joint venture company and subsidiaries filed Special Leave petitions (SLPs) challenging the orders which is currently pending with Hon'ble Supreme Court of India. The Court has admitted the matters and stayed the operation of the impugned judgments till further orders in both the cases.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

- c) Securities and Exchange Board of India (SEBI) in a complaint filed against the Company, imposed certain restrictions on the Company. The Company had received a favorable order against the appeal in said case from Securities Appellate Tribunal (SAT). SEBI, subsequently, has filed a statutory appeal which is currently pending before Hon'ble Supreme Court. SEBI has also imposed penalties upon the Company, some of its directors, officers, its three subsidiaries and their directors which has been disposed of by SAT with a direction that these appeals will stand automatically revived upon disposal of civil appeal filed by SEBI against aforementioned SAT judgement.

Based on the advice of the external legal counsels, no adjustment has been considered in these standalone financial results by the management in respect of above matters. Our conclusion is not, modified in respect of these matters.

6. We did not review the interim financial results and other financial information of one partnership firm included in the accompanying quarterly unaudited standalone financial results of the Company, whose financial results and other financial information reflect net profit after tax of Rs. 4.02 Crore and Rs. 4.16 Crore and total comprehensive income of Rs. 4.02 Crore and Rs. 4.16 Crore for the quarter and six months ended September 30, 2019 respectively. The interim standalone financial results and other financial information of this partnership firm has been reviewed by other auditor, whose report has been furnished to us, and our conclusion in so far as it relates to the Company's share of loss and related disclosures included in respect of this partnership firm, is based solely on the reports of such other auditor. Our conclusion on the Statement is not modified in respect of this matter.
7. The accompanying quarterly unaudited standalone financial results include interim financial results and other financial information, in respect of one partnership firm, whose interim financial results and other financial information reflect net loss after tax of Rs. 0.71 Crore and Rs. 1.42 Crore and total comprehensive loss of Rs. 0.71 Crore and Rs. 1.42 Crore for the quarter and six months ended September 30, 2019 respectively, as considered in the unaudited standalone financial results based on their interim financial results and other financial information which have not been reviewed by the respective auditor. These unaudited financial results and other financial information of the said partnership firm have been approved and furnished to us by the Management. According to the information and explanations given to us by the Management, these interim financial results and other financial information are not material to the Company. Our conclusion on the Statement is not modified in respect of this matter.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per **Manoj Kumar Gupta**

Partner

Membership No.: 83906

UDIN: 19083906AAAABR3463

Place: New Delhi

Date: November 07, 2019

