

## Building for Growth

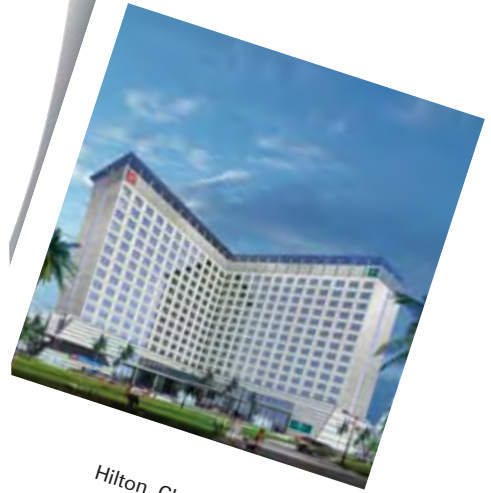




Multi-level car parking,  
Baba Kharak Singh Marg, New Delhi



DLF IT Park, Gandhinagar



Hilton, Chennai



DLF Galleria, Kolkata



Emporio, Hyderabad



New Town Heights,  
DLF Rajarhat, Kolkata

# Contents

Board of Directors .....	1
Message from the Chairman .....	2
Milestones .....	5
DLF Today, and tomorrow.....	6
Management.....	7
Notice .....	8
Directors' Report .....	22
Management Discussion & Analysis Report .....	34
Corporate Governance Report.....	52
Financial Statements .....	71
Auditors' Report .....	72
Balance Sheet.....	75
Profit & Loss Account .....	76
Cash Flow Statement .....	77
Schedules .....	79
Consolidated Accounts .....	114
Details of Subsidiary Companies.....	158

## Board of Directors

### Executive Directors

Dr. K.P. Singh  
Chairman

Mr. Rajiv Singh  
Vice-Chairman

Mr. T.C. Goyal  
Managing Director

Ms. Pia Singh  
Whole - Time Director

Mr. Kameshwar Swarup  
Senior Executive Director - Legal

### Non-Executive Directors

Mr. G.S. Talwar

Dr. D.V. Kapur

Mr. K.N. Memani

Mr. M.M. Sabharwal

Mr. Ravinder Narain

Mr. B. Bhushan

Brig. (Retd.) N.P. Singh

## Reference Information

### Registered Office

Shopping Mall, 3rd Floor, Arjun Marg,  
Phase-I, DLF City, Gurgaon-122 002  
(Haryana)

### Corporate Office

DLF Centre, Sansad Marg,  
New Delhi-110 001

### Statutory Auditors

M/s. Walker, Chandiok & Co

### Registrar & Share Transfer Agents

M/s. Karvy Computershare Private Ltd.

### Listed at

Bombay Stock Exchange  
National Stock Exchange

### Company Secretary

Mr. Subhash Setia



# Message from the Chairman



*Dear Stakeholders,*

The year 2007-2008 has been a very significant and historic one for your Company and it gives me great pleasure to place before you the first Annual Report on the Company's performance after our listing in July, 2007.

At the very outset, I would like to share with all of you my deep sense of satisfaction over the sterling results achieved by your Company, which has grown on a large scale across all segments of the Real Estate sector and has successfully emerged as the largest developer in the country with a truly pan-Indian presence.

As you all know, the highpoint of the year under review was the very successful Initial Public Offering, which marked a momentous turning point in the corporate history of your Company.

I am indeed happy to inform you that the funds raised through the mega public issue have been deployed in accordance with the laid down road map and in tune with the business plans spelt out while launching the IPO.

This has contributed significantly to superior performance and unprecedented growth during the year.

Your Company has recorded consolidated revenues of Rs 14,684 crore for the year ended March 31, 2008, an increase of 262% from Rs 4,053 crore in FY07. EBITDA stood at Rs 9,961 crore, an increase of 243% as compared to Rs 2906 crore in the corresponding period last year. Net profit was at Rs 7,813 crore, up by 304% from Rs 1933 crore. The EPS for FY08 stood at Rs 46.98 as compared to Rs 12.75 for FY07, a significant growth of 268%.

At the same time, I believe that there is a need to temper our elation over the significant achievements of the year gone by with a realistic approach to the challenges that lie ahead, especially in the context of the disquieting trends in both the global and domestic scenarios.

India is not alone in grappling with higher global oil and food prices and stock market fluctuations, but the dangers of complacency have been starkly underlined with inflation hitting a 13-year high and indications that the spectacular economic growth of the past few years could be difficult to sustain. The Real Estate sector cannot remain immune to such ground realities.

Moreover, India, as a nation on the move, still has a lot to do to realize its enormous potential. Governance, basic education, infrastructure and agricultural productivity need to be dramatically improved, while the trade and the financial sectors need to be liberalized further.

In particular, India's most pressing problem of inequality needs to be addressed effectively. Politically and economically, it is vital for India's future to broaden education and spread the benefits of India's economic growth to all sections of the population.

Against this background, I take this opportunity to assure all stakeholders that your Company is fully aware of the need for caution to be exercised in the emerging ground realities of the global and Indian economy and the paramount importance of wise planning for the immediate future as well as for longer term plans.

Your Company has traditionally built up capabilities to address multiple issues such as:

- (i) A large pool of well-diversified and strategically located Real Estate assets;
- (ii) A pan-India presence, with special emphasis on emerging geographies;
- (iii) Presence in all segments of the sector, benefiting from obvious synergies;
- (iv) State-of-the art technology and unique designs;
- (v) A value code that enshrines transparency and complete statutory compliance;
- (vi) Highly qualified and technically competent human capital;
- (vii) Strong Balance Sheet.

This strong base of human, technological and financial strengths form the bedrock of your Company's endeavour to scale new heights in the years ahead.

During the year under review, there has been a significant improvement in the performance of each Business Vertical - Homes, Offices, Retail, Hospitality and Infrastructure.

We are today spread across the country - from North to South and East to West. There are major projects in the States of Himachal Pradesh, Punjab, Haryana, UT of Chandigarh, Uttar Pradesh, Delhi, West Bengal, Sikkim, Orissa, Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, Goa, Maharashtra, Gujarat, Madhya Pradesh and Rajasthan.

Your Company is attempting a scale up of this size purely on the strength of the extra-ordinary systems that it has evolved for working as well as reporting.

A new paradigm is being established in the Real Estate sector since it necessarily has to deal with multiple Governments and multiple laws across each City/State. Wherever we come across difficulties, your Company has always taken a step forward, before others, towards identifying and initiating suggestions for reforms that will facilitate the entire sector.

We actively seek the help of various trade bodies to impress upon decision makers the need for such reforms and to provide the technical details thereof.

These reforms are urgently required if our nation has to meet the demand of its 1.1 billion people for a safe and secure home, a comfortable working place and social amenities like retail facilities, leisure facilities as well as hospitality and entertainment facilities.

Your Company has foreseen the demand by the demographic expanse of India's population and has developed fully integrated plans for comfortable and premium luxury housing; from individual offices to large floor plate based anchor clients; from neighbourhood shopping centres to destination and luxury malls; from convention centres to luxury hotels, business hotels, serviced apartments and clubs; from IT SEZs to multi-product SEZs.

The Real Estate sector will undoubtedly emerge as one of the largest players in the national economy. All our shareholders know that the Real Estate sector impacts the core sectors of the economy and fundamental needs of the people. With a large consumer base as in India, the Real Estate sector will continue to register a steady, and sometimes spectacular, growth in its contribution to the national GDP.

The success of the Real Estate sector will be measured by the delivery of a better, more hygienic and safer quality of life to the citizens of this country and ensuring the inclusion of people across multiple income levels in the benefits of growth.

Your Company has already embarked on an ambitious mission towards fulfilling its Corporate Social Responsibility goals, for which we are well on our way to gear up a new system based on our activities of the past as well as new initiatives for the future.

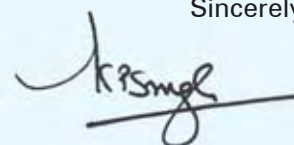
The Financial Year 2008-09 will be a challenging year for your Company. The global liquidity and credit crises and inflationary pressures within the domestic economy would impact the business scenario.

To surmount such adversities, the Company will have to perform at higher levels of efficiency by garnering more cost effective resources and working harder to sustain and enhance growth rates and increase business.

In conclusion, I see the coming year as one of consolidation and new initiatives in selected projects at prime locations across India which shall create for your company a strong platform for the opportunities ahead.

With best wishes

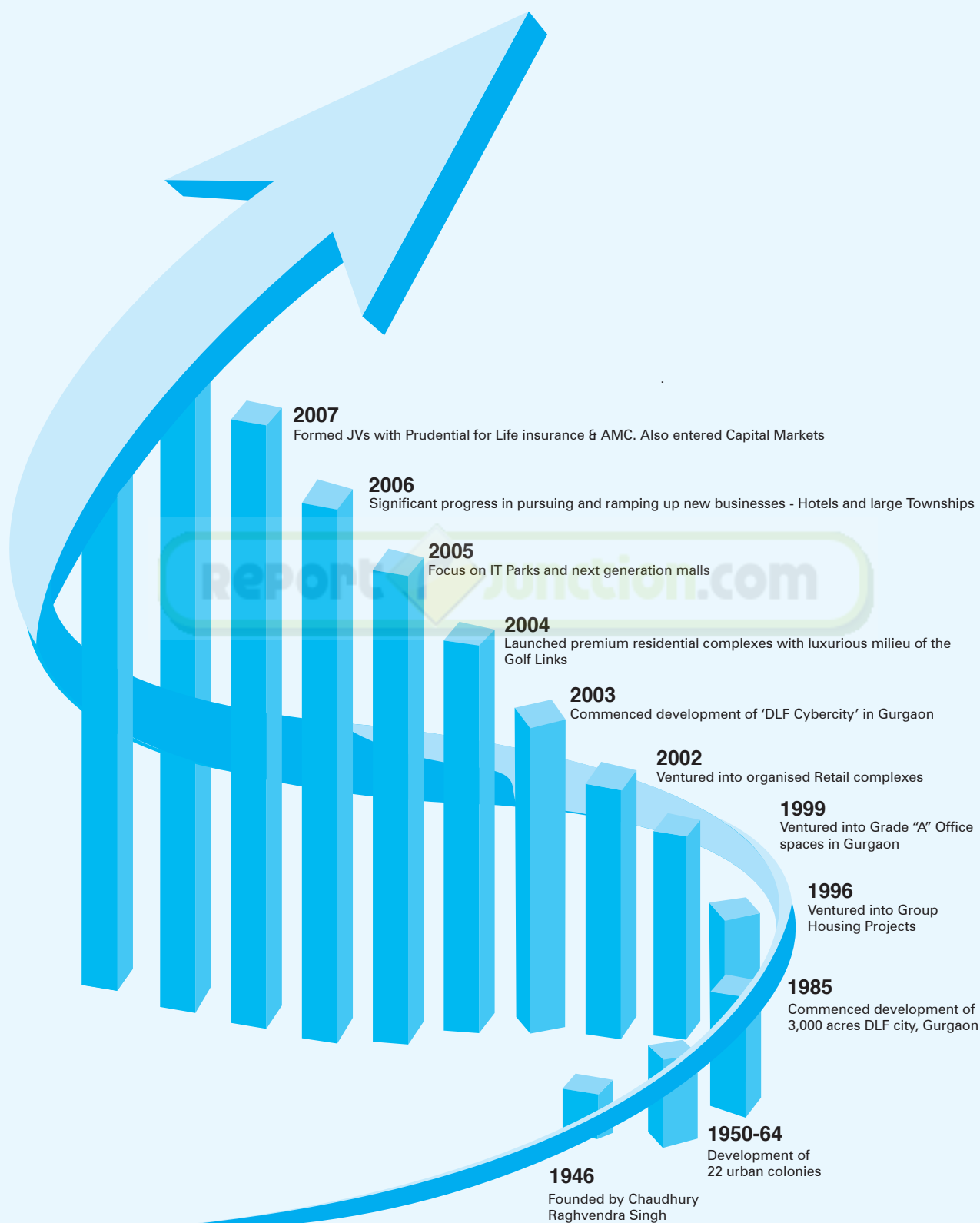
Sincerely,



**(Dr.K.P. Singh)**  
**Chairman**

New Delhi  
31<sup>st</sup> July, 2008

# Milestones





# DLF Today, and tomorrow

<b>VISION</b> <ul style="list-style-type: none"> <li>• To contribute significantly to building the new India and become the world's most valuable real estate company.</li> </ul>	<b>MISSION</b> <ul style="list-style-type: none"> <li>• To build world-class real estate concepts across six business lines with the highest standards of professionalism, ethics, quality and customer service.</li> </ul>	<b>VALUES</b> <ul style="list-style-type: none"> <li>• Sustained efforts to enhance customer value and quality</li> <li>• Ethical and professional service</li> <li>• Compliance and respect for all community, environmental and legal requirements.</li> </ul>
---	---	--

DLF has charted its next growth steps to retain its leadership position in India. Already a major player in locations across the country, including metro and key urban centres, DLF, with over six decades of experience, is focusing on strengthening its lateral and vertical business drivers. These include development of innovative business strategies, strengthening its professional resources and driving market penetration with an ear-to-the-ground approach that is adaptive to local market needs.

The group is capitalising on emerging market opportunities to deliver high-end facilities and projects to its wide base of customers by constantly upgrading its internal skills and resource capabilities.

In line with its current expansion plans, DLF has over 751 million sq. ft. of planned projects under way, across all its business verticals. This land bank is spread over 32 cities, mostly in metros and key urban areas across India.

All the intensified growth underlines DLF's commitment to quality, trust and customer sensitivity and, delivering on its promise with agility and financial prudence.

DLF's aspirations for India soars higher than developing world class buildings and infrastructure. The group recognises its inherent role as a catalyst of change in the socio-economic transformation of the country.

With the growth of the Indian economy and the resulting increase in corporate and consumer incomes, as well as foreign investment, DLF sees significant opportunities for growth across all its business verticals. DLF's mission is to build a world-class real estate development company with the highest standards of professionalism, ethics and customer service and to thereby contribute to and benefit from the growth of the Indian economy.

This is DLF, Building India.

# Management



(Sitting): 1. Ms. Pia Singh 2. Mr. Rajiv Singh 3. Dr. K.P. Singh 4. Mr. T.C. Goyal 5. Mr. M. M. Sabharwal  
(Standing): 6. Mr. Ravinder Narain 7. Mr. G. S. Talwar 8. Mr. K. Swarup 9. Dr. D. V. Kapur 10. Mr. K. N. Memani  
11. Mr. B. Bhushan 12. Brig. (Retd.) N. P. Singh

