

March 05, 2021

DLF Limited: [ICRA]A+(Stable) assigned for Non-Convertible Debentures of Rs. 500 crore

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-Convertible Debentures -1	0.0	500.0	[ICRA]A+ (Stable); assigned
Commercial Paper	1,000.0	1,000.0	[ICRA]A1; outstanding
Fund based - Term Loan	2,387.0	2,387.0	[ICRA]A+ (Stable); outstanding
Fund based - Working Capital Facilities	2,347.0	2,347.0	[ICRA]A+ (Stable); outstanding
Non-fund based - Working Capital Facilities/Bank Guarantee	850.0	850.0	[ICRA]A+ (Stable); outstanding
Non-Convertible Debenture Programme -2	1,345.0	1,345.0	[ICRA]A+ (Stable); outstanding
Total	7,929.0	8,429.0	

*Instrument details are provided in Annexure

Rationale

Given the presence of strong operational, financial and managerial linkages, ICRA has taken a consolidated rating view for DLF Limited along with its subsidiaries, all engaged in real estate development business (hereinafter referred to as DLF or DLF Group). Although DLF holds 66.67% stake in DLF Cyber City Developers Limited (DCCDL; rated [ICRA]AA-(Stable)/A1+), ICRA has not consolidated DCCDL with DLF on account of the presence of a strong shareholder in DCCDL (GIC Group with a 33.33% stake), which has affirmative rights for all significant decisions.

The assigned rating takes into account the strength of DLF's market position, together with the Group's high level of committed receivables amounting to ~Rs. 2,835 crore as on December 31, 2020, which, along with available unsold finished inventory of ~Rs. 6,035 crore¹, provide visibility on cash flows over the near to medium term. The Group also has a low cost and fully paid up land bank, with well-located parcels having diverse land-uses, parts of which have been monetized in recent quarters. Supported by good traction in the luxury housing project – Camellias (Gurgaon, Haryana), and the newly launched independent floors/ plotted developments in Gurgaon, Haryana, the company recorded net sales in Rs. 2027 crore in 9MFY2021, keeping sales levels largely in line with the Rs. 2,162 crore registered in 9MFY2020, despite the adverse impact of Covid-19. ICRA notes that the first phase of 0.31 mn.sq.ft. independent floors/ plotted developments which was launched in Q3FY2021, was sold out entirely in the same quarter. However, collections reduced to Rs. 1,501 crore in 9MFY2021 as against Rs. 1,913 crore in 9MFY2020, primarily due to a slowdown in Q1 FY2021 post the onset of the pandemic, though ICRA notes that the pace of collections has since recovered, with Q3 FY2021 collections recording a Y-o-Y growth of 5%. Overall operational cash flows have, nonetheless, remained modest, though with tight control on the overheads and other costs, the company has been able to limit the financing deficit in 9MFY2021. Continued reduction in overhead levels will remain a key rating monitorable.

Despite significant deleveraging in past quarters primarily on the back of capital market transactions as well as approx 100 bps reduction in the interest cost over the past one year, absolute debt levels have remained higher than expected due to modest operational cash flows, which has necessitated dependence on refinancing. Net debt levels stood at Rs 5,100 crore as in

¹ Inventory of Gurgaon plotted developments (~ Rs 1,500 crore) included in completed inventory as on June 30,2020, has been recategorized as Independent Floors in New Products from Q2 FY2021 onwards

December, 2020 as against Rs 5,267 crore in March, 2020. ICRA notes that adequate ramp-up in sales velocity and consequent timely collections will remain critical to meet debt obligations from operational cash flows going forward. However, comfort is drawn from the healthy available cash balance of Rs 1,322 crore as on December 31, 2020, which is largely expected to take care of the immediate scheduled repayments. Additionally, committed outflows towards ongoing projects remains low, standing at ~Rs. 1,100 crore as on December 31, 2020. With most of the ongoing residential projects at intermediate or advanced stages of completion, execution risks for the ongoing projects remain limited as well. Exposure to marketing risks however, remain high, given the concentration of the balance inventory in the ultra-luxury segment of one micro-market of a single geography, i.e. Gurgaon, a market which witnessed demand headwinds over the last few years. ICRA also notes the significant launch pipeline of ~11 mn sqft, mostly in the form of lower cost independent floors/plotted developments, planned phase wise in the coming two years, which may increase execution and marketing risks, though the new products will offer diversification in terms of product ticket size and format. Going forward, any significant discretionary outflows towards land or other capital expenditure will also remain a key credit monitorable.

ICRA also notes that DLF has significant contingent liabilities, mainly because of matters related to income tax, service tax etc and penalty imposed by the Competition Commission of India (CCI) in August 2011. However, DLF has deposited some money at the time of filling appeals with the respective tax authority as well as Rs. 630 crore² with the Hon'ble Supreme Court towards CCI penalty, which will provide liquidity support in case of any adverse judgment. Further, ICRA notes that DLF recognized a Deferred Tax Asset reversal of Rs 1,916 crore in FY2020, which led to a net loss of Rs 1,479 crore during the year. However, the same is non-cash in nature..

Key rating drivers and their description

Credit strengths

Established market position with availability of low cost, well located and diversified land bank: DLF Group has an established market position, attributable to its demonstrated track record of project execution and presence in all segments, namely residential, commercial and retail, across various locations in the country, which enables wider buyer coverage. Moreover, the Group's fully paid up land bank is characterised by low acquisition cost, good location and diversity of land use, providing it flexibility in case of any exigency. ICRA notes that the Group has been monetizing parts of the same in recent quarters, which has underpinned cash flows. Additional income from land and TDR deals is expected in subsequent quarters as well.

Pending collections and finished unsold inventory provides cash flow visibility: DLF has pending receivables of ~Rs. 2,835 crore and finished unsold inventory of ~Rs. 6,035 crore as on December 31, 2020. Most of the unsold inventory comprises finished units which are expected to be handed over in the near term, which will underpin sales velocity and collections going forward, given the increasing home-buyer preference for completed inventory.

Limited execution risks at present with committed outflows towards ongoing projects remaining low; however, significant launch pipeline may increase risks going forward: DLF has a low pending cost towards ongoing projects amounting to ~Rs. 1,100 crore as on December 31, 2020. As most of the on-going projects are either at intermediate or advanced stage of completion, exposure to execution risk remains limited at present. However, ICRA notes the significant launch pipeline of ~11 mn sqft, mostly in the form of lower cost independent floors/plotted developments, planned phase wise in the coming two years, which may increase execution and marketing risks, though the new products will offer diversification in terms of product ticket size and format. Going forward, any significant discretionary outflows towards land or other capital expenditure will also remain a key credit monitorable.

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

Credit challenges

Operational cash flows continued to remain modest, although tight cost control limited the deficit for 9MFY2021: DLF's collections reduced to Rs. 1,501 crore in 9MFY2021 as against Rs. 1,913 crore in 9MFY2020, primarily due to a slowdown in Q1 FY2021 post the onset of the pandemic, though ICRA notes that the pace of collections has since recovered, with Q3 FY2021 collections recording a Y-o-Y growth of 5%. Overall operational cash flows have, nonetheless, remained modest, though with tight control on the overheads and other costs, the company has been able to limit the financing deficit in 9MFY2021. Despite significant deleveraging in past quarters primarily on the back of capital market transactions as well as approx 100 bps reduction in the interest cost over the past one year, absolute debt levels have remained higher than expected due to modest operational cash flows, which has necessitated dependence on refinancing. Net debt levels stood at Rs 5,100 crore as in December, 2020 as against Rs 5,267 crore in March, 2020. ICRA notes that adequate ramp-up in sales velocity and consequent timely collections, together with a reduction in overheads, will remain critical to meet debt obligations from operational cash flows going forward.

Comfort is drawn from the healthy liquidity position of the DLF Group as on December 31, 2020 which is expected to support the debt repayments over the near to medium term, as well as from its proven refinancing ability.

High inventory concentration enhances marketing risks for unsold inventory: Going forward, the exposure of the company to marketing risks remains high, given the concentration of the unsold inventory in one micro-market of a single geography, i.e. Gurgaon, a market which witnessed demand headwinds over the last few years. Further, the inventory is also concentrated in ultra-luxury segment, which is expected to witness slow sales velocity. ICRA, however, notes that launch of lower cost units in the form of independent floors, which have a shorter cash conversion cycle will provide diversification and support sales levels and cash flows going forward. Comfort is also drawn from the response to the first phase of 0.31 mn. sq.ft. which was entirely sold out in launch quarter of Q3FY2021 itself.

Significant contingent liabilities and pending litigations may put cash flows under pressure in case of adverse ruling: The Group has significant contingent liabilities, mainly because of matters related to income tax, service tax etc and penalty imposed by CCI in August 2011. However, DLF has deposited some money at the time of filing appeals with the respective tax authority as well as Rs. 630 crore with the Supreme Court towards CCI penalty, which will provide liquidity support in case of any adverse judgment.

Liquidity position: Strong

Though, some moderation has been noted in DLF's cash flows on account of the Covid-19 pandemic, comfort is drawn from the available liquidity that DLF has in the form of cash of Rs. 1,322 crore as on December 31, 2020. The group has a policy of maintaining at least six months of upcoming debt repayment as cash balance. Further, the company has pending collections of ~Rs. 2,835 crore as on December 31, 2020, most of which is likely to be received over the near to medium term considering the advance stage of project execution/handover. This, together with sales generated from the available finished unsold inventory of ~Rs. 6,035 crore is expected to support the liquidity and cash flow position of the DLF Group going forward.

Rating sensitivities

Positive triggers – Significant ramp-up in sales and collections resulting in meaningful reduction in net debt and lower reliance on refinancing would be a credit positive. Specific indicators leading to a rating upgrade would include improvement in the cashflow adequacy ratio to 55% and above on a sustained basis.

Negative triggers – Negative pressure on the rating could arise in case of a prolonged coronavirus outbreak or other pressures on bookings and collections resulting in moderation in the Group's financial risk profile and higher than expected debt levels. Further, DLF's policy on land acquisition as well as capital expenditure, and the mode of funding of the same may also impact the ratings.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Real Estate Entities
Parent/Group Support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has taken a consolidated view of DLF Limited and its subsidiaries given the close business, financial and managerial linkages among them.

About the company

DLF Limited is amongst the largest domestic real estate developer with more than 70 years of track record in developing real estate. The company has developed more than 250 million square feet (msf) It is credited for developing many well-known urban colonies in Delhi, including South Extension, Greater Kailash, Kailash Colony and Hauz Khas as well as one of Asia's largest private townships "DLF City" in Gurgaon, Haryana. DLF is currently developing 2.86 msf across the country.

Key financial indicators (audited)

DLF Consolidated	FY2018	FY2019	FY2020	9MFY2021
Operating Income (Rs. crore)	6706.79	8366.09	6,082.77	4038.3
PAT (Rs. crore)	4292.41	368.27	-1,479.20*	218.6
OPBDIT/OI (%)	35.45%	25.60%	18.66%	32.2%
PAT/ OI (%)	64.00%	4.40%	-24.32%	5.4%
Total Outside Liabilities/Tangible Net Worth (times)	0.71	0.92	-	-
Total Debt/OPBDIT (times)	7.36	8.04	7.14	4.73
Interest Coverage (times)	0.81	1.04	0.80	2.0

*DLF recognized a Deferred Tax Asset reversal of Rs 1,916 crore in FY2020, which led to a net loss of Rs 1,479.20 crore during the year. However, the same is non-cash in nature.

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net Worth + Deferred Tax Liability - Capital Work in Progress); DSCR: (PBIT + Mat Credit Entitlements - Fair Value Gains through P&L - Non-cash Extraordinary Gain/Loss)/(Interest + Repayments made during the Year)

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Chronology of Rating History for the past 3 years						
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of March 01, 2021 (Rs. crore)	Date & Rating in Jan15, 2021	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2020	Date & Rating in FY2019	Date & Rating in FY2018		
						15-May-20	3-Jan-20	10-May-19	9-Aug-18	14-Dec-17	13-Sep-17	13-Apr-17
1	Non-convertible Debentures -1	Long Term	500.0	0.0*	[ICRA]A+ (Stable); assigned	-	-	-	-	-	-	-
2	Commercial Paper	Short Term	1,000.0	-	[ICRA]A1; outstanding	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	-	-
3	Term Loans	Long Term	2,387.0	2,387.0 [#]	[ICRA]A+; Outstanding	[ICRA]A+ (Stable)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
4	Non-Fund Based Limits	Long Term	850.0	Revolving	[ICRA]A+ (Stable); Outstanding	[ICRA]A+ (Stable)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
5	Fund Based Limits	Long Term	2,347.0	Revolving	[ICRA]A+ (Stable); Outstanding	[ICRA]A+ (Stable)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
6	NCD	Long Term	1,345.0	1345.0	[ICRA]A+ (Stable); Outstanding	[ICRA]A+ (Stable)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)

*proposed

[#] as on March 31, 2020

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [click here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Non-convertible Debentures -1	Yet to be placed	NA	Yet to be placed	1,500	[ICRA]AA- (Stable); assigned
NA	Term Loan 1	26-Sep-19		25-Sep-23	500	[ICRA]A+(Stable); outstanding
NA	Term Loan 2	27-Sep-19		26-Sep-29	372	[ICRA]A+(Stable); outstanding
NA	Term Loan 3	17-Jul-14		17-Jul-21	504	[ICRA]A+(Stable); outstanding
NA	Term Loan 4	30-Sep-14		17-Jul-21	256	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 5	11-Jul-17		11-Jul-26	127	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 6	11-Sep-19		11-Jul-26	40	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 7	29-Nov-18		15-Nov-27	188	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 8	26-Mar-20		15-Nov-27	95	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 9	21-Oct-15		31-Mar-25	189	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 10	31-Mar-15		31-Mar-25	47	[ICRA]A+(Stable) ; outstanding
NA	Term Loan 11	27-Sep-19		26-Sep-31	69	[ICRA]A+(Stable) ; outstanding
NA	OD/Working Capital Limits	-	-	-	2,347	[ICRA]A+(Stable) ; outstanding
NA	Bank Guarantee / Letter of Credit	-	-	-	850	[ICRA]A+(Stable) ; outstanding
INE271C07137	NCD-I	11-Aug-15	12.25%	11-Aug-20	250	[ICRA]A+(Stable) ; outstanding
INE271C07178	NCD-II	24-Aug-15	12.25%	10-Aug-20	95	[ICRA]A+(Stable) ; outstanding
INE271C07194	NCD-III	19-Mar-20	9.25%	17-Mar-23	500	[ICRA]A+(Stable) ; outstanding
INE271C07186	NCD-IV	19-Mar-20	9.50%	17-Mar-23	500	[ICRA]A+(Stable) ; outstanding
NA	Commercial Paper (not placed)	-	-	-	1,000	[ICRA]A1 ; outstanding
Total					8,429.0	

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	DLF Ownership	Consolidation Approach
<u>Subsidiary companies at any time during the year</u>	-	
Abhigyan Builders & Developers Private Limited	100%	Full Consolidation
Abhiraj Real Estate Private Limited	100%	Full Consolidation
Adeline Builders & Developers Private Limited	100%	Full Consolidation
Americus Real Estate Private Limited	100%	Full Consolidation
Amishi Builders & Developers Private Limited	100%	Full Consolidation
Angelina Real Estates Private Limited	100%	Full Consolidation
Ariadne Builders & Developers Private Limited	100%	Full Consolidation
Armand Builders & Constructions Private Limited	100%	Full Consolidation
Benedict Estates Developers Private Limited	100%	Full Consolidation
Beyla Builders & Developers Private Limited	100%	Full Consolidation
Bhamini Real Estate Developers Private Limited	100%	Full Consolidation
Breeze Constructions Private Limited	100%	Full Consolidation
Chakradhara Estates Developers Private Limited	100%	Full Consolidation
Chandrajyoti Estate Developers Private Limited	100%	Full Consolidation
Dae Real Estates Private Limited	100%	Full Consolidation
Daffodil Hotels Private Limited	74%	Full Consolidation
Dalmia Promoters and Developers Private Limited	100%	Full Consolidation
Delanco Home and Resorts Private Limited	100%	Full Consolidation
Delanco Realtors Private Limited	100%	Full Consolidation
Deltaland Buildcon Private Limited	100%	Full Consolidation
DLF Aspinwal Hotels Private Limited	100%	Full Consolidation
DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited]	100%	Full Consolidation
DLF Cochin Hotels Private Limited	100%	Full Consolidation
DLF Commercial Developers Limited	100%	Full Consolidation
DLF Emporio Restaurants Limited	100%	Full Consolidation
DLF Energy Private Limited	100%	Full Consolidation
DLF Estate Developers Limited	100%	Full Consolidation
DLF Garden City Indore Private Limited	100%	Full Consolidation
DLF Golf Resorts Limited	100%	Full Consolidation
DLF Home Developers Limited	100%	Full Consolidation
DLF Homes Goa Private Limited	100%	Full Consolidation
DLF Homes Services Private Limited	100%	Full Consolidation
DLF Info City Hyderabad Limited	100%	Full Consolidation
DLF Info City Chennai Limited	100%	Full Consolidation
DLF Info Park (Pune) Limited	100%	Full Consolidation
DLF Info Park Developers (Chennai) Limited	100%	Full Consolidation
DLF Lands India Private Limited [formerly Berenice Real Estate Private Limited]	100%	Full Consolidation
DLF Luxury Homes Limited [formerly DLF GK Residency Limited]	100%	Full Consolidation
DLF Phase-IV Commercial Developers Limited	100%	Full Consolidation
DLF Projects Limited	100%	Full Consolidation
DLF Property Developers Limited	100%	Full Consolidation
DLF Real Estate Builders Limited	100%	Full Consolidation
DLF Recreational Foundation Limited	85%	Full Consolidation
DLF Residential Builders Limited	100%	Full Consolidation
DLF Residential Developers Limited	100%	Full Consolidation
DLF Residential Partners Limited	100%	Full Consolidation

Company Name	DLF Ownership	Consolidation Approach
DLF South Point Limited [merged with DLF Commercial Developers Limited]	100%	Full Consolidation
DLF Southern Towns Private Limited	100%	Full Consolidation
DLF Universal Limited	100%	Full Consolidation
DLF Utilities Limited	100%	Full Consolidation
Domus Real Estate Private Limited	100%	Full Consolidation
Eastern India Powertech Limited	100%	Full Consolidation
Edward Keventer (Successors) Private Limited	100%	Full Consolidation
Elvira Builders & Constructions Private Limited	100%	Full Consolidation
Faye Builders & Constructions Private Limited	100%	Full Consolidation
Galleria Property Management Services Private Limited	72%	Full Consolidation
Ghaliya Builders & Developers Private Limited	100%	Full Consolidation
Genisys Property Builders & Developers Private Limited [w.e.f. 14 May 2018]	100%	Full Consolidation
Hansel Builders & Developers Private Limited	100%	Full Consolidation
Hyma Developers Private Limited [formerly DLF Homes Kokapet Private Limited] (till 24 December 2018)	25%	Full Consolidation
Isabel Builders & Developers Private Limited	100%	Full Consolidation
Kolkata International Convention Centre Limited	100%	Full Consolidation
Lada Estates Private Limited	100%	Full Consolidation
Latona Builders & Constructions Private Limited	100%	Full Consolidation
Lear Builders & Developers Private Limited	100%	Full Consolidation
Lempo Buildwell Private Limited	100%	Full Consolidation
Liber Buildwell Private Limited	100%	Full Consolidation
Livana Builders & Developers Private Limited	100%	Full Consolidation
Lizebeth Builders & Developers Private Limited	100%	Full Consolidation
Lodhi Property Company Limited	100%	Full Consolidation
Mariabella Builders & Developers Private Limited	100%	Full Consolidation
Melosa Builders & Developers Private Limited	100%	Full Consolidation
Mens Buildcon Private Limited	100%	Full Consolidation
Nambi Buildwell Private Limited	100%	Full Consolidation
Narooma Builders & Developers Private Limited	100%	Full Consolidation
Nellis Builders & Developers Private Limited	100%	Full Consolidation
Niobe Builders & Developers Private Limited	100%	Full Consolidation
Nudhar Builders & Developers Private Limited	100%	Full Consolidation
Paliwal Developers Limited	100%	Full Consolidation
Paliwal Real Estate Limited	100%	Full Consolidation
Phoena Builders & Developers Private Limited	100%	Full Consolidation
Pyrite Builders & Constructions Private Limited	100%	Full Consolidation
Qabil Builders & Constructions Private Limited	100%	Full Consolidation
Rachelle Builders & Constructions Private Limited	100%	Full Consolidation
Riveria Commercial Developers Limited	100%	Full Consolidation
Rochelle Builders & Constructions Private Limited	100%	Full Consolidation
Royalton Builders & Developers Private Limited	100%	Full Consolidation
Saket Holidays Resorts Private Limited	100%	Full Consolidation
Shivaji Marg Maintenance Services Limited [formerly NewGen MedWorld Hospitals Limited]	100%	Full Consolidation
Tiberias Developers Limited [formerly DLF Finvest Limited]	100%	Full Consolidation
Urvasi Infratech Private Limited	100%	Full Consolidation
Vibodh Developers Private Limited	100%	Full Consolidation
Vkarma Capital Investment Management Company Private Limited	100%	Full Consolidation
Vkarma Capital Trustee Company Private Limited	100%	Full Consolidation

Company Name	DLF Ownership	Consolidation Approach
Webcity Builders & Developers Private Limited	100%	Full Consolidation
<u>Partnership Firms (Accounted for as Subsidiaries)</u>		
DLF Commercial Projects Corporation	100%	Full Consolidation
DLF Gayatri Developers	42%	Full Consolidation
DLF Green Valley	50%	Full Consolidation
DLF Office Developers	85%	Full Consolidation
Rational Builders and Developers	95%	Full Consolidation
<u>Joint Ventures (JV) and Joint Operations (JO) / Associates (A)</u>		
Aadarshini Real Estate Developers Private Limited*	67%	Equity Method
Banjara Hills Hyderabad Complex (JO)	50%	Equity Method
DLF Gayatri Home Developers Private Limited (JV)	50%	Equity Method
DLF Midtown Private Limited (JV)	50%	Equity Method
DLF SBPL Developers Private Limited (JV)	50%	Equity Method
DLF Urban Private Limited (JV)	50%	Equity Method
GSG DRDL Consortium (JO)	50%	Equity Method
DESIGNPLUS GROUP (JV) Comprising investment in Designplus Associates Services Private Limited (JV) along with its following subsidiary:	42%	Equity Method
Spazio Projects and Interiors Private Limited (JV)	0%	Equity Method
DLF Homes Panchkula Private Limited (A)	40%	Equity Method
Joyous Housing Limited (JV)	38%	Equity Method
Arizona Globalservices Private Limited* (A)	-	Equity Method
Aadarshini Real Estate Developers Private Limited [w.e.f. 19 March 2019]§	67%	Equity Method
<u>DCCDL GROUP (JV)^</u> <u>Comprising investment in DLF Cyber City Developers Limited along with its following subsidiaries [w.e.f 26 December, 2017]</u>	67%	Equity Method
Caraf Builders & Constructions Private Limited [merged with DLF Cyber City Developers Limited (w.e.f. 27 September 2018)]		Equity Method
DLF Assets Private Limited		Equity Method
DLF City Centre Limited		Equity Method
DLF Emporio Limited		Equity Method
DLF Info City Developers (Chandigarh) Limited		Equity Method
DLF Info City Developers (Kolkata) Limited		Equity Method
DLF Power & Services Limited		Equity Method
DLF Promenade Limited		Equity Method
Richmond Park Property Management Services Limited		Equity Method

Source: Annual report FY2020

*Converted into a joint-venture from March 2019.

^ICRA has not taken a consolidated rating view on DLF and DCCDL groups (DLF Cyber City Developers Limited and its subsidiaries, engaged in the business of commercial real estate ((hereinafter referred to as DCCDL or DCCDL Group). This is on account of the presence of a strong shareholder in DCCDL (GIC group with 33.33% stake), who has affirmative rights for all significant decisions. ICRA also notes that no incremental financial support is expected to be extended by DCCDL to DLF, as has been the case since the stake sale to GIC in December 2017.

Now with the settlement of advances (from DLF to DCCDL) completed in H1FY2020, ICRA expects that the financial transactions amongst the two groups will be limited to regular payment of dividend (from DCCDL to DLF), and on-going commercial transactions for project development, all of which are being done on arm's length basis, as per the understanding provided by the management.

ANALYST CONTACTS

Shubham Jain
+124-4545 306
shubhamj@icraindia.com

Pallavi Singh
+91 124 4545 393
Pallavi.singh@icraindia.com

Mahi Agarwal
+33-7150 1106
mahi.agarwal@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

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

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

For more information, visit www.icra.in

ICRA Limited

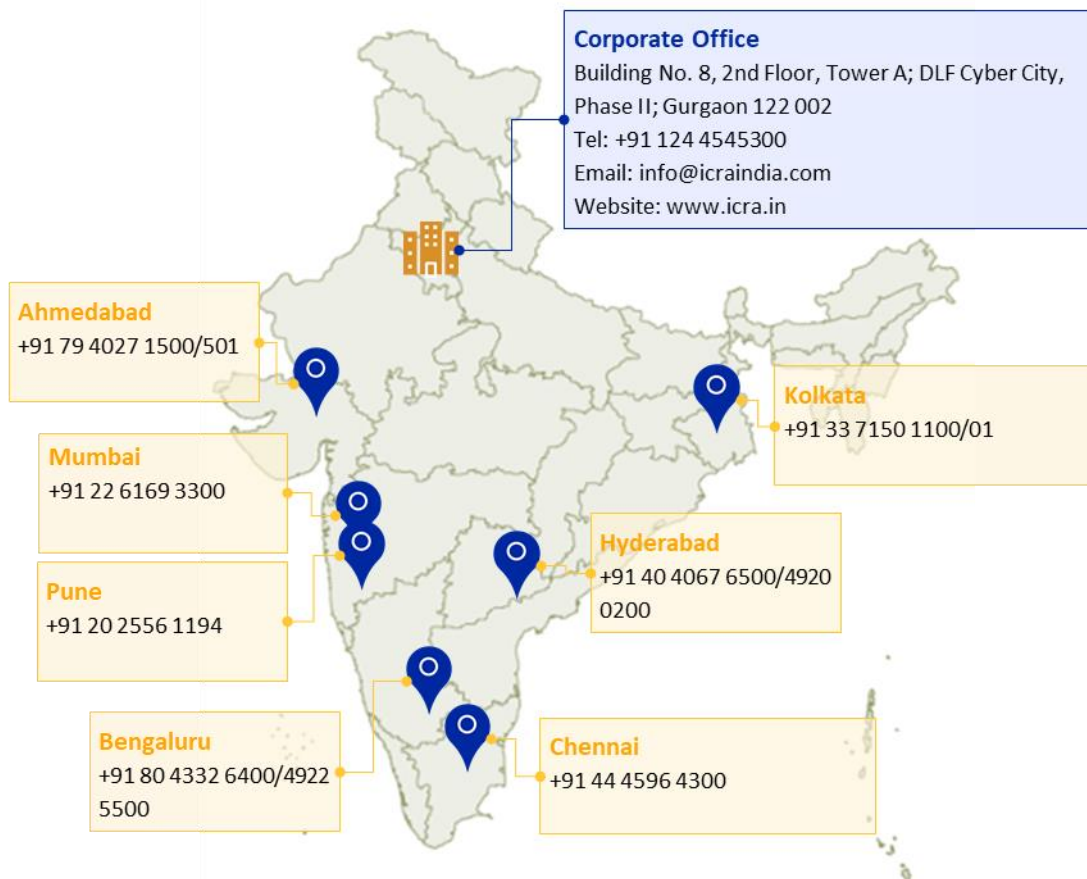


Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50



Branches



© Copyright, 2021 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.