



VIEWPOINT

Result Update

SECTOR

Real Estate

COMPANY DETAILS

Market cap:	Rs. 1,50,746 cr
52-week high/low:	Rs. 888/587
NSE volume: (No of shares)	26.7 lakh
BSE code:	532868
NSE code:	DLF
Free float: (No of shares)	64.2 cr

Source: NSE, BSE, Mirae Asset Sharekhan Research

SHAREHOLDING (%)

Promoters	74.1
FII	14.8
DII	5.8
Others	5.3

Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE CHART



Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE PERFORMANCE

(%)	1m	3m	6m	12m
Absolute	-12.3	-21.8	-26.5	-12.3
Relative to Sensex	-8.6	-18.8	-26.6	-20.3

Source: Mirae Asset Sharekhan Research, Bloomberg

Reco/View: **Positive**

CMP: **Rs. 609**

Price Target: **Rs. 900**

Quick Snapshot

- Pre-sales of Rs 419 crore in Q3 FY26, down significantly (97% y-o-y) due to no new launches and temporary pause of Dahlia. The collections stood at a record quarterly high, up 65% y-o-y to Rs. 5,100 crore.
- DCCDL, its annuity business performed well, rental income rising 18.4% y-o-y to Rs 1,412 crore.
- The company is confident to achieve its full year pre-sales guidance of Rs. 20,000 crore (80% already done). Exit rental expected Rs.6400 for FY26.
- We maintain a positive view on the stock with a revised TP of Rs. 900, given a strong growth potential in the residential segment and the scaling up of rental portfolio.

Result overview

- Consolidated revenue stood at Rs 2,020 crore in Q3FY26, up 32.2% y-o-y, (12% below our estimates). EBITDA fell 2.5% y-o-y to Rs 390 crore, with EBITDA margin contracting to 19.3% (down 687 bps y-o-y and 244 bps below our forecast).
- DCCDL's rental income grew 18.4% y-o-y in Q3. Total revenue from DCCDL up 17.4% y-o-y to Rs. 1,859 crore and EBITDA margin stood at 77.7%.
- Pre-sales in Q3 came from monetization (25%) of launched inventory, excluding Dahlia. The collections hit a record high in this quarter due to construction-linked payments and no spillover from previous quarters.
- New bookings in Dahlia were paused in Q3 due to redesign and enhanced customer service experience.
- Collection growth likely 10-15% y-o-y annually. Rental income expected Rs. 6,400 crore in FY26 (DCCDL 5,900, DLF 550) and FY27 is 7,400-7,500 crore, big jump from Atrium Place and 3 new malls (DLF Midtown, Summit Plaza, and Promenade Goa).
- Launches in next 18-24 months:
 - Arbour Phase II (Senior Living), expected to launch in Q4FY26 – GDV ~Rs 2,000 crore
 - Next phase of West Park (Mumbai)
 - Group housing in DLF City
 - Panchkula
 - Goa residential project
 - Further phases of Dahlia

Our Call

We stay positive on DLF given a robust launch pipeline, strong execution record, and expanding annuity income base. The company is well-positioned to deliver sustained growth in pre-sales, supported by upcoming launches such as The Dahlia next phase, Arbour, and Privana, which are expected to contribute to revenue and margins in the next few years. The rental portfolio continues to scale up, with better occupancy across office assets and a clear focus on doubling the retail footprint in 4-5 years. DLF's dominant presence in the Delhi-NCR market, large low-cost land reserves, debt-free balance sheet, and favourable housing market tailwinds provide strong multi-year growth visibility. With a healthy mix of residential cashflows and annuity income, we maintain a Positive view on the stock, with a revised TP of Rs.900 driven by continued traction in the residential business and scaling up of its rental portfolio.

Key Risks

Slowdown in real estate demand, especially in the Delhi-NCR region, is a key risk to our call. Unfavourable macro indicators, such as a rise in interest rates, can dampen demand.

Valuations (Consolidated)

Particulars	FY25	FY26E	FY27E	FY28E	Rs cr
Revenue	7,993.7	8,249.9	9,799.9	11,293.6	
OPM (%)	26.4	28.3	29.8	31.8	
Adjusted PAT	4,670.0	4,721.0	5,428.1	6,385.0	
y-o-y growth (%)	71.2	1.1	15.0	17.6	
Adjusted EPS (Rs.)	18.9	19.1	21.9	25.8	
P/E (x)	32.3	31.9	27.8	23.6	
P/B (x)	3.4	3.1	2.8	2.5	
EV/EBITDA (x)	62.0	56.1	44.8	36.5	
RoNW (%)	11.2	10.3	10.8	11.5	
RoCE (%)	11.0	10.0	10.5	11.2	

Source: Company; Mirae Asset Sharekhan estimates

Concall highlights

- On Dahlias: About 55-60% of units are sold already. Buyers are mostly NRIs, Ultra-HNIs/Global Investors. It's dynamic pricing power and in the past one year, a 25% price hike has been seen.
- Construction Q3 disrupted due to pollution-related stoppage. 9M FY26 construction spend is 2,400 crore (1,500 last year). Normalised quarterly construction spend is Rs. 900-1,000 crore.
- Summit Plaza, DLF5, Gurugram [~0.5 msf]: Pre-leased at ~95%; OC received; with this completion and expected commencement of DLF Promenade, Goa [0.7 msf] in next few months, retail portfolio will grow to 5.6 msf; y-o-y growth of 33%.
- Occupancy - Office 94% in Q3 FY26 (Non-SEZ 98% & SEZ 88%) and retail 97% occupancy (DCCDL 97% & DLF 93%).
- DLF's rental portfolio stands at 49 msf of operational assets, with 27 msf pipeline to deliver, including 13.6 msf (11 msf office + 2.6 msf retail) under construction and 13.3 msf in the pipeline. This is projected to reach 76 msf (75% DCCDL & 25% DLF) with an income of Rs. 10,000 crore in the medium term.
- DLF's residential launch pipeline totals Rs 1.15 lakh crore (37 msf) - of which Rs 54,285 crore (13.2 msf) has been launched till date. The balance of Rs 60,215 crore (25 msf) will be monetised in the medium term.
- Pre-sales annual run rate will be Rs. 20,000 crore.
- DLF stated that demand in Gurgaon remains strong; buyer mix includes 25% NRI and 15% rest of India.
- Gross debt was nil in Q3. Cash in hand amounted to in Rs.1,227 crore and 70% holds of the cash (Rs.10,433) in RERA account. Operating cash flows stood at Rs.3876 crore, up by 110%.

Results	Rs cr				
Particulars	Q3FY26	Q3FY25	Y-o-Y %	Q2FY26	Q-o-Q %
Net sales	2020.2	1528.7	32.2	1643.0	23.0
other income	459.3	208.8	120.0	618.8	-25.8
Total income	2479.5	1737.5	42.7	2261.8	9.6
Total expenses	1630.4	1128.7	44.4	1359.5	19.9
Operating profit	389.9	400.0	-2.5	283.6	37.5
Depreciation	30.2	38.7	-22.2	29.5	2.1
Interest	36.3	93.9	-61.4	63.1	-42.5
Profit Before Tax	722.6	173.7	316.0	1044.9	-30.8
Taxes	-7.4	-266.7	NA	276.3	NA
PAT	730.0	440.4	65.8	768.5	-5.0
Exceptional items	60.2	0.0	NA	-235.2	NA
Inc from JV	473.3	618.3	-23.4	411.6	15.0
Adj PAT	1263.5	1058.7	19.3	944.9	33.7
EPS	5.1	4.3	19.3	3.8	33.7
			BPS		BPS
OPM(%)	19.3	26.2	-687	17.3	204
NPM(%)	36.1	28.8	733	46.8	-1064

Source: Company; Mirae Asset Sharekhan Research

Additional Data

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Rajdhani Invest & Agencies	61.53
2	Preh Traders & Inv Pvt	3.64
3	Mallika Housing co	2.90
4	Raisina Agen & Invest	2.66
5	Invesco Ltd	2.04
6	Jhandewalan Ancillaries	1.91
7	Vanguard Group	1.22
8	ICICI Prudential Asset Management	1.12
9	Blackrock Inc	1.11
10	Singh Pia	0.87

Source: Bloomberg

Key management personnel

Name	Designation
Rajiv Singh	Chairman
Ashok Kumar Tyagi	Managing Director
Devinder Singh	Co-CEO/Whole Time Director

Source: Company Website

Mirae Asset Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.

DISCLAIMER

This research report ("Report") has been issued by Sharekhan Limited ("**Mirae Asset Sharekhan**"), and is intended for use only by the person or entity to which it is addressed to. This Report may contain confidential and/or privileged material and is not for any type of circulation, and any review, retransmission, or any other use is strictly prohibited unless specifically permitted by Mirae Asset Sharekhan. This Report is subject to change without prior notice.

Recommendation in reports is based on technical and derivatives analysis and based on studying charts of a stock's price movement, trading volume, and outstanding positions, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. However, this would only apply to information/ documents focused on technical and derivatives research and shall not apply to reports/ documents/ information focused on fundamental research.

This Report does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same without discrimination, not all customers may receive this report at the same time. Mirae Asset Sharekhan will not treat recipients as customers only by virtue of their receiving this Report.

The information contained herein is obtained from publicly available data or other sources believed to be reliable, and Mirae Asset Sharekhan has not independently verified the accuracy and completeness of the said data and hence it should not be relied upon as such. While we would endeavor to update the information herein on a reasonable basis, Mirae Asset Sharekhan, its subsidiaries and associated companies, their directors, and employees ("**Affiliates**") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent Mirae Asset Sharekhan and its affiliates from doing so. This Report is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipients of this Report should also be aware that past performance is not necessarily a guide to future performance, and the value of investments can go down as well. The user assumes the entire risk of any use made of this information. Each recipient of this Report should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this Report (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. We do not undertake to advise you as to any change of our views. Affiliates of, and/ or other individual analysts employed by Mirae Asset Sharekhan may have issued other recommendations/ reports that are inconsistent with and reach different conclusions from the information presented in this Report. The reports may reflect different assumptions, views and analytical methods of the analysts who prepared them. Mirae Asset Sharekhan may make investment or other decisions that are inconsistent with the opinions and views expressed in this Report. The views and opinions expressed in this Report may vary from or contradict with the report, views, estimates, rating, and target price if any provided/ issued by entity(ies) within or outside the group or other team(s) within Mirae Asset Sharekhan basis various factors including but not limited to rating criteria, valuation methodologies, assumptions, accounting methodologies, etc.

This Report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Mirae Asset Sharekhan and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restrictions.

The analyst certifies that the analyst might have dealt or traded directly or indirectly in the securities of the company and that all the views expressed in this Report accurately reflect his or her personal views about the subject company or companies and its or their securities. The analyst and Mirae Asset Sharekhan further certifies that either he or his relatives or Mirae Asset Sharekhan or their associates might have direct or indirect financial interest or might have actual or beneficial ownership of 1% or more in the securities of the company at the end of the month immediately preceding the date of publication of the Report. The analyst and Mirae Asset Sharekhan encourage independence in research report/ material preparation and strive to minimize conflict in the preparation of the research report. The analyst and Mirae Asset Sharekhan and their associates have not served as officers, directors or employees of the subject company. The analyst and Mirae Asset Sharekhan or its associates may have managed or co-managed the public offerings of the company. Mirae Asset Sharekhan, or its associates, or analysts may have received compensation for investment banking, merchant banking, brokerage services or received compensation for products or services other than investment banking, merchant banking or brokerage services from the subject company or from a third party in the past twelve months in connection with the Report, or received any other compensation or benefits from the subject company or other third party in connection with this Report. Mirae Asset Sharekhan or its associates have not been debarred/ suspended by the Securities and Exchange Board of India ("**SEBI**") or any other regulatory authority for accessing/ dealing in securities market. Mirae Asset Sharekhan or its associates or research analyst or his/her relatives may have financial interest or any other material conflict of interest in the subject company of this research report at the time of publication of the research report or at the time of public appearance. Further, please note that Mirae Asset Sharekhan or its research analysts or their associate(s) have not used artificial intelligence tools in providing research services.

Either Mirae Asset Sharekhan or its Affiliates or its directors or employees/representatives/clients or their relatives may have position(s), make market, act as principal or engage in transactions of purchase or sell of securities, from time to time or may be materially interested in any of the securities of the subject company or related securities referred to in this Report and they may have used the information set forth herein before publication. Mirae Asset Sharekhan may from time to time solicit from, or perform investment banking or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall Mirae Asset Sharekhan, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind.

Forward-looking statements (if any) are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These statements are not a guarantee of future performance, and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Mirae Asset Sharekhan and its Affiliates undertake no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. The reader/ investors are cautioned not to place undue reliance on forward-looking statements and use their independent judgment before taking any investment decision.

Investment in securities market is subject to market risks, read all the related documents carefully before investing. The securities quoted are for illustration only and are not recommendatory. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Mirae Asset Sharekhan has been ranked as India's No.1 Retail Broker by Asia money Brokers Poll 2023. For more details, visit bit.ly/AsiamoneyPoll

Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges on www.sharekhan.com

Registered Office: 1st Floor, Tower No. 3, Equinox Business Park, LBS Marg, Off BKC, Kurla (West), Mumbai 400 070, Maharashtra, India. Tel: 022-67502000.

Correspondence/Administrative Office Address: Gigaplex IT Park, Unit No 1001, 10th Floor, Building No. 9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai – 400708. Tel: 022 61169000 / 61150000, Fax No. 61169699.

Registration and Contact Details: Name of Research Analyst - Sharekhan Limited - (AMFI-registered Mutual Fund Distributor), Research Analyst Regn No.: INH000006183. CIN: U99999MH1995PLC087498.

SEBI Regn. Nos.: BSE / NSE (CASH / F&O / CD) / MCX - Commodity: INZ000171337; BSE - 748, NSE - 10733, MCX - 56125, DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669 (date of initial registration: 03/07/2004, and valid till 02/07/2026); IRDAI Registered Corporate Agent (Composite) License No. CA0950, valid till June 13, 2027.

Compliance Officer: Mr. Joby John Meledan; Tel: 022-4657 3809; email id: complianceofficer@sharekhan.com

For any complaints/ grievances, email us at igc@sharekhan.com, or you may even call the Customer Service desk on 022-41523200 / 022-61151111.