



August 18, 2020

Scrip Code – 532832

IBREALEST/EQ

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

National Stock Exchange of India Limited

“Exchange Plaza”, Bandra-Kurla Complex,
Bandra (East),
MUMBAI – 400 051

Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re: Merger of certain identified ongoing, completed & planned residential and commercial projects of the Embassy Group (“Embassy Assets”) with Indiabulls Real Estate Limited (“the Company” or “IBREL”)

Dear Sirs,

Please find enclosed a Press Release on proposed merger of certain identified ongoing, completed & planned residential and commercial projects of the Embassy Group (“Embassy Assets”) with the Company.

We request you to take the above information on record.

Thanking you,

Yours truly
for **Indiabulls Real Estate Limited**

Ravi Telkar
Company Secretary

Encl: as above

**CC: Luxembourg Stock Exchange
Luxembourg**

Indiabulls Real Estate Limited

CIN: L45101DL2006PLC148314

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Indiabulls Real Estate Ltd ('IBREL') and Embassy Group sign definitive merger documentation

Combination will create one of India's leading real estate development platforms

- The merged entity will have a balanced mix of commercial and residential assets which should provide a natural hedge against cyclicalities and shall benefit from the new promoter, Mr. Jitendra Virwani, chairman of the Embassy Group
- Merger will create one of the leading market players among listed companies in the real estate sector in terms of surplus from launched projects, land bank ownership and residential stock + planned area development in India;
- 30 projects spread across major Tier I and a few Tier II cities of India resulting in launched + planned development area increasing to 80.8 million square feet, a 3x growth to pre-merger planned development area
- Combined IBREL to be renamed Embassy Developments Ltd¹ and to be co-headquartered in Mumbai and Bengaluru
- IBREL existing shares to be valued at Rs 92.50 per share; NAM shareholders will get 6.619 shares of IBREL for every 10 shares of NAM (as explained below)
- Certain entities controlled by The Blackstone Group Inc. (collectively, 'BREP') have submitted a non-binding LOI for participation in the proposed merger
- Combined listed entity shall be owned ~44.9% by Embassy Group, 26.2% by the existing public & institutional shareholders, 9.8% by existing IBREL Promoter Group and ~19.1% by BREP & other Embassy institutional investors
- Residential business to have surplus from launched and planned residential projects exceeding Rs 18,500 Cr; Rs. 201 Cr net investment to realize Rs. 10,667 Cr of surplus from launched residential assets
- Near completion inventory to generate a net surplus of Rs. 6,288 Cr
- Commercial square feet under development will increase substantially
- Additionally, there exists a land bank of 3353 acres, including 1424 acres in a Nasik SEZ which has an opportunity to benefit from Government initiatives to position India as preferred manufacturing location
- Platform to take advantage of recent market dislocations and accelerate growth through strong partnerships with investors and financial institutions

¹ Name change application to be made post-merger completion, subject to share-holder approval, availability and approval from Registrar of Companies

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Indiabulls Real Estate Ltd (NSE: IBREALEST / BSE: 532832); **NAM Estates Pvt Ltd** ('NAM') and **Embassy One Commercial Property Developments Private Limited** ('NAM Opco') (NAM and NAM Opco being subsidiaries of the Embassy Group), today announced that they have entered into definitive merger documentation to amalgamate ongoing, completed & planned residential and commercial projects of NAM and NAM Opco ('Embassy Assets'). Mr. Jitendra Virwani along with other promoter entities of NAM (Embassy Promoters) will become the new promoters of IBREL upon completion of merger and Mr. Sameer Gehlaut along with existing IBREL promoter group entities shall initiate the process of reclassification as required.

The combined IBREL entity shall become one of India's leading real estate development platforms, with 80.8 million square feet of launched and planned development potential. The combined entity shall benefit from a complementary pan-India presence across key markets including a significant presence in the commercial and residential market of Bengaluru. The merger shall provide diversification to IBREL shareholders towards a balanced mix of residential and commercial development with visibility on near term liquidity through sold receivables in excess of Rs. 4,220 crores for the combined entity.

Jitendra Virwani, Chairman & Founder of the Embassy Group said, *"This integration provides scale to our two organizations and allows the stakeholders to capitalize on the opportunity created by the market consolidation and dislocations. The transaction also offers growth to the listed entity by combining a portfolio of well-located commercial projects across Mumbai, NCR and Bangalore, which has seen the largest absorption in office space over the past five years. I am excited about the possibilities of what this new combined platform can deliver."*

Sameer Gehlaut, non-executive Chairman & Founder of IBREL said, *"This merger marks the culmination of a journey I began almost 15 years ago to build a world class real estate company. I am excited to be handing over this platform to Embassy who have a proven track record, excellent execution capabilities and who have created a very strong brand and sponsored a successful listed REIT. I believe Embassy promoters are the right partner to make IBREL a larger, stronger and more balance platform in the future. I look forward to working with him as we integrate these two companies."*

Structure & Terms

Under the terms of the agreement, which has been unanimously approved by both Boards of Directors, IBREL's shares are being valued at Rs. 92.5 per share, a 25.7% premium to today's closing price. The proposed merger will be achieved through a cashless scheme of amalgamation. As part of the combination, certain private equity shareholders of Indiabulls Properties Private Limited, which owns the Sky / Sky Forest residential assets, shall swap their shares to NAM Opco and will eventually merge into IBREL by virtue of a National Company Law Tribunal ('NCLT') approved Scheme of Arrangement.

NAM shareholders will get 6.619 shares of IBREL for every 10 shares of NAM whilst NAM Opco shareholders will get 5.406 shares of IBREL for every 10 shares in NAM Opco.

Subsequent to the merger being effected, the resultant listed entity shall be owned ~44.9% by Embassy Group, 26.2% by the existing public & institutional shareholders, 9.8% by existing IBREL Promoter Group and ~19.1% by BREP & other Embassy institutional investors

Management, Governance & Due Diligence

When the transaction closes, Mr. Jitendra Virwani and the current Embassy promoter entities of NAM shall be the new promoters of IBREL. The merged IBREL shall be run professionally with professional management and strong corporate governance being key focus areas. Both companies have done due diligence on each other's assets extensively over the past several months.

Approvals

The merger and reclassification of promoter shall be subject to approval of respective creditors and shareholders and applicable regulatory authorities, including but not limited to CCI, stock exchanges, SEBI, NCLT(s) and completion of other agreements integral to the merger. The merger is expected to be completed by Q2 FY 2022.

Advisors

Shardul Amarchand Mangaldas & Co. acted as legal advisor to Embassy Group whilst J. Sagar Associates was legal advisor to IBREL. Allegro Capital Private Limited and IDFC Securities Ltd. acted as financial advisor to Embassy Group. Further, IDFC Securities will facilitate investor engagement and communication on the proposed merger and on any potential future fundraise. Ernst & Young LLP and PricewaterhouseCoopers Limited acted as transaction financial & tax advisors to Embassy Group. Independent valuations were carried out by BDO Valuation Advisory LLP and N. S. Kumar & Co (an affiliate of Transaction Square LLP). O3 Capital Global Advisor Pvt Ltd, a SEBI registered merchant banker provided a fairness opinion to the board of directors of IBREL.

Media and Investor Contacts

Embassy Group

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IBREL

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About Indiabulls Real Estate

Indiabulls Real Estate Ltd, is a large publicly listed real estate company, with a well-diversified presence in residential real estate development across the price spectrum, from mid-income to premium to the super luxury space. Geographically, the company's strategic focus is in key markets of Mumbai Metropolitan Region and the National Capital Region. Incorporated in 2006, the Company has, through its SPVs/subsidiaries, delivered 24+ million square feet of commercial & residential projects, including the iconic Indiabulls Blu Estate & Club residential towers in Worli, and commercial assets known as One Indiabulls Centre and Indiabulls Finance Centre in Lower Parel.

About Embassy Group

Founded in 1993, Embassy Group is one India's largest real estate conglomerates with a broad portfolio of over 61 million square feet of prime commercial, residential and industrial space in India. Across all asset classes, Embassy lays strong emphasis on high standards of quality, delivery, world-class service, environmental management and safety. Embassy is a sponsor of India's first REIT, Embassy Office Parks, the largest office REIT in the Asia Pacific in terms of square feet. As an extension of its vision to create world-class urban infrastructure, the company has also contributed in the field of education. The group's community outreach program empowers over 26,000 children across 189 schools to create a positive social impact in India.

Disclaimer / Forward-Looking Statements

This press release is prepared for general information purposes only. The information contained herein is based on management information and estimates. It is only current as of its date, has not been independently verified and may be subject to change without notice. IBREL management makes no representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness and completeness of the content hereof. Each recipient will be solely responsible for its own investigation, assessment and analysis of the market and the market position of IBREL. This press release also contains certain financial measures which are not audited, reviewed or measures determined based on GAAP, Ind-AS or any other internationally accepted accounting principles, and the recipient should not consider such items as an alternative to the historical financial results or other indicators of IBREL cash flow based on Ind-AS or IFRS.

This press release contains forward-looking statements based on the currently held beliefs, opinions and assumptions of Company management. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of IBREL or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements.

Given these risks, uncertainties and other factors, including the impact of COVID-19 on us, our business and the Indian and global economies, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments or the impact of events which cannot currently be ascertained, such as COVID-19. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward-looking statements.