

Indiabulls

R E A L E S T A T E

Indiabulls Real Estate Limited
Statement of Unaudited Consolidated Financial Results
for the quarter and nine months ended December 31, 2016

PART I

Rs. In Lacs

Particulars	3 months ended December 31, 2016	Preceding 3 months ended September 30, 2016	Corresponding 3 months ended December 31, 2015	Year to date figures for current period ended December 31, 2016	Year to date figures for previous period ended December 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1 Income from operations					
a) Net sales/Income from operations	29,121.25	70,870.19	70,743.72	176,105.68	223,560.33
b) Other operating income	904.73	190.45	407.86	12,226.03	1,480.47
Total Income from operations	30,025.98	71,060.64	71,151.58	188,331.71	225,040.80
2 Expenses					
a) Cost of land, plots, constructed properties and others	17,591.13	43,264.96	37,696.64	107,655.86	126,829.01
b) Employee benefits expense	2,860.16	3,168.58	2,728.43	8,822.22	8,784.76
c) Depreciation and amortisation expense	1,816.04	1,721.52	1,737.51	5,230.13	5,253.61
d) Other expenses	6,671.32	7,182.64	6,412.83	21,542.56	19,640.40
Total expenses	28,938.65	55,337.70	48,575.41	143,250.77	160,507.78
3 Profit from operations before other income, finance costs and exceptional items (1-2)	1,087.33	15,722.94	22,576.17	45,080.94	64,533.02
4 Other income	19,264.19	20,131.02	2,424.10	41,582.96	11,117.95
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	20,351.52	35,853.96	25,000.27	86,663.90	75,650.97
6 Finance costs	14,014.58	14,550.16	12,004.91	42,583.50	38,249.18
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	6,336.94	21,303.80	12,995.36	44,080.40	37,401.79
8 Exceptional items	-	-	-	-	-
9 Profit from ordinary activities before tax (7-8)	6,336.94	21,303.80	12,995.36	44,080.40	37,401.79
10 Tax expense (Including deferred tax)	2,246.81	7,803.63	4,606.94	14,635.96	11,443.60
11 Net profit from ordinary activities after tax (9-10)	4,090.13	13,500.17	8,388.42	29,444.44	25,958.19
12 Extraordinary Items (net of tax expense)	-	-	-	-	-
13 Net profit for the period (11-12)	4,090.13	13,500.17	8,388.42	29,444.44	25,958.19
14 Share of profit / (loss) of associate	269.06	(31.73)	(44.55)	199.88	(94.96)
15 Minority interest	1,499.23	692.26	(1,555.47)	2,058.27	(2,991.99)
16 Net profit after taxes, minority interest and share of (loss) of associate (13+14+15)	5,858.42	14,160.70	6,788.40	31,702.59	22,871.24
17 Other comprehensive income (net of tax)	(6,593.20)	(11,062.05)	6,932.65	(18,227.10)	(9,780.91)
18 Total comprehensive income (after tax) (16+17)	(734.78)	3,098.65	13,721.05	13,475.49	13,090.33
19 Paid-up equity share capital (face value of Rs. 2 per equity share)	9,973.29	10,130.57	9,233.55	9,973.29	9,233.55
20 Earnings per share before extraordinary items (Face Value of Rs. 2 per Equity Share) (EPS for the quarter is not annualised)					
-Basic (Rs)	1.26	3.06	1.62	6.84	5.66
-Diluted (Rs)	1.26	3.01	1.61	6.79	5.65
Earnings per share after extraordinary items (Face Value of Rs. 2 per Equity Share) (EPS for the quarter is not annualised)					
-Basic (Rs)	1.26	3.06	1.62	6.84	5.66
-Diluted (Rs)	1.26	3.01	1.61	6.79	5.65

See accompanying notes to the Financial Results

Notes to the consolidated financial results :-

- 1 Indiabulls Real Estate Limited ('the Holding Company') and its subsidiaries are together referred as 'the Group' in the following notes. The Holding Company conducts its operations along with its subsidiaries and associates. The consolidated financial results are prepared in accordance with the principles and procedures of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013.
- 2 The unaudited consolidated financial results of the Company for the quarter and period ended December 31, 2016 and December 31, 2015 have been reviewed by the Audit Committee and approved by Board of Directors ('the Board') at its meeting held on January 25, 2017. These results have been subjected to limited review by the Statutory Auditors of the Company.
- 3 The Company has adopted Indian Accounting Standards ('Ind AS') from April 1, 2016 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2015. The impact of transition has been accounted for in opening reserves and the comparative period results has been restated accordingly. The opening balance sheet as at April 1, 2015 and the financial statement of March 31, 2016 would be finalised and will be subjected to audit at the time of annual financial statements for the year ended March 31, 2017.

4 Segment Results:

Rs. In Lacs

Particulars	3 months ended December 31, 2016	Preceding 3 months ended September 30, 2016	Corresponding 3 months ended December 31, 2015	Year to date figures for current period ended December 31, 2016	Year to date figures for previous period ended December 31, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
a Segment revenue					
Real estate development and related activities	17,456.58	59,060.51	62,859.97	151,467.29	193,028.13
Rental business	13,456.10	12,691.99	11,887.26	39,414.00	36,514.61
Total	30,912.68	71,752.50	74,747.23	190,881.29	229,542.74
Less: Inter segment revenue	(886.70)	(691.86)	(3,595.65)	(2,549.58)	(4,501.94)
Income from operations	30,025.98	71,060.64	71,151.58	188,331.71	225,040.80
b Segment profit before tax and after finance costs					
Real estate development and related activities	2,755.07	16,437.64	9,995.79	32,613.82	33,004.92
Rental business	5,790.74	6,605.27	5,056.39	17,603.64	14,168.72
Total	8,545.81	23,042.91	15,052.18	50,217.46	47,173.64
Less: Other un-allocable expenditure net off unallocable income	(2,208.87)	(1,739.11)	(2,056.82)	(6,137.06)	(9,771.85)
Total Profit Before Tax	6,336.94	21,303.80	12,995.36	44,080.40	37,401.79
c Segment Assets					
Real estate development and related activities	1,460,087.78	1,537,323.07	1,465,557.66	1,460,087.78	1,465,557.66
Rental business	252,267.70	249,414.30	251,538.89	252,267.70	251,538.89
Unallocated assets	75,659.45	100,734.23	35,273.86	75,659.45	35,273.86
Total	1,788,014.93	1,887,471.60	1,752,370.41	1,788,014.93	1,752,370.41
d Segment Liabilities					
Real estate development and related activities	1,124,291.30	1,182,542.24	1,039,156.18	1,124,291.30	1,039,156.18
Rental business	160,031.13	173,895.70	233,956.50	160,031.13	233,956.50
Unallocated liabilities	21,806.73	41,442.27	20,173.60	21,806.73	20,173.60
Total	1,306,129.16	1,397,880.21	1,293,286.28	1,306,129.16	1,293,286.28

5 Reconciliation of net profit after tax as previously reported under Indian GAAP and Ind AS for the quarter and nine months ended December 31, 2015:

Rs. In Lacs

	3 months ended December 31, 2015 (Unaudited)	Year to date figures for previous period ended December 31, 2015 (Unaudited)
Net profit as per previous Indian GAAP	8,044.23	24,613.66
Impact of an entity classified as subsidiary and consolidated under Ind AS	(541.08)	(1,226.72)
Impact of effective interest rate adjustment on borrowings	(163.40)	(369.34)
Impact on revenue on account of interest capitalisation using effective interest rate	(284.16)	(270.15)
Impact of financial assets and financial liabilities at fair value through profit and loss	133.94	49.19
Impact of financial assets at amortised cost	371.62	982.57
Impact of employee share based payment at fair value	(328.72)	(986.15)
Deferred tax impact	157.38	462.71
Actuarial gain through other comprehensive income	(5.26)	(68.92)
Impact on minority interests due to above adjustments	(596.15)	(315.61)
Net profit for the period under Ind AS	6,788.40	22,871.24

Indiabulls Real Estate Limited (as standalone entity)
Statement of Unaudited Financial Results
for the quarter and nine months ended December 31, 2016

PART I						Rs. In Lacs
Particulars	3 months ended December 31, 2016	Preceding 3 months ended September 30, 2016	Corresponding 3 months ended December 31, 2015	Year to date figures for current period ended December 31, 2016	Year to date figures for previous period ended December 31, 2015	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1 Income from operations						
a) Net sales/Income from operations	724.67	809.80	435.88	2,088.74	1,342.17	
b) Other operating income	-	-	-	-	-	
Total Income from operations	724.67	809.80	435.88	2,088.74	1,342.17	
2 Expenses						
a) Cost of sales/services	-	-	-	-	-	
b) Employee benefits expense	205.08	229.11	279.65	771.56	836.73	
c) Depreciation and amortisation expense	29.48	37.98	64.28	107.29	250.99	
d) Other expenses	728.96	739.05	887.70	2,501.44	2,439.89	
Total Expenses	963.52	1,006.14	1,231.63	3,380.29	3,527.61	
3 Loss from operations before other income, finance costs and exceptional items (1-2)	(238.85)	(196.34)	(795.75)	(1,291.55)	(2,185.44)	
4 Other income	10,221.57	9,964.80	8,423.12	30,531.93	31,729.46	
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	9,982.72	9,768.46	7,627.37	29,240.38	29,544.02	
6 Finance costs	9,530.31	9,196.47	6,557.98	27,624.62	22,755.56	
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	452.41	571.99	1,069.39	1,615.76	6,788.46	
8 Exceptional items	-	-	-	-	-	
9 Profit from ordinary activities before tax (7-8)	452.41	571.99	1,069.39	1,615.76	6,788.46	
10 Tax expense (including deferred tax)	15.29	219.20	113.25	395.21	506.17	
11 Net profit from ordinary activities after tax (9-10)	437.12	352.79	956.14	1,220.55	6,282.29	
12 Extraordinary items (net of tax expense)	-	-	-	-	-	
13 Net profit for the period (11-12)	437.12	352.79	956.14	1,220.55	6,282.29	
14 Other comprehensive income (net of tax)	(2,957.18)	(6,790.55)	8,761.54	(6,681.03)	3,941.53	
15 Total comprehensive income (after tax) (16+17)	(2,520.06)	(6,437.76)	9,717.68	(5,460.48)	10,223.82	
16 Paid-up equity share capital (face value of Rs. 2 per equity share)	9,973.29	10,130.57	9,233.55	9,973.29	9,233.55	
17 Earnings per share before extraordinary items (Face Value of Rs. 2 per Equity Share) (EPS for the quarter is not annualized)						
-Basic (Rs)	0.09	0.07	0.21	0.24	1.41	
-Diluted (Rs)	0.09	0.07	0.21	0.24	1.40	
Earnings per share after extraordinary items (Face Value of Rs. 2 per Equity Share) (EPS for the quarter is not annualized)						
-Basic (Rs)	0.09	0.07	0.21	0.24	1.41	
-Diluted (Rs)	0.09	0.07	0.21	0.24	1.40	
Items exceeding 10% of Total Expenses						
-- Brokerage and marketing expense	338.74	289.29	310.31	1,068.86	730.75	
-- Rent expense	211.41	213.68	230.37	621.16	649.13	
See accompanying notes to the Financial Results						

Notes to standalone financial results:

- 1 The standalone financial results of Indiabulls Real Estate Limited ('IBREL', "the Company") for the quarter and period ended December 31, 2016 and December 31, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors ("the Board") at its meeting held on January 25, 2017. These results have been subjected to limited review by the Statutory Auditors of the Company.
- 2 The Company has adopted Indian Accounting Standards ('Ind AS') from April 1, 2016 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2015. The impact of transition has been accounted for in opening reserves and the comparative period results has been restated accordingly. The opening balance sheet as at April 1, 2015 and the financial statement of March 31, 2016 would be finalised and will be subjected to audit at the time of annual financial statements for the year ended March 31, 2017.
- 3 During the quarter, the Company issued and allotted 135,600 equity shares of face value Rs. 2 each at an issue price of Rs. 54.50 (including a premium of Rs. 52.50) per equity share to eligible employees upon exercise of options vested in their favour under 'Indiabulls Real Estate Limited - Employees Stock Option Scheme 2010'. Consequent to the said allotment, the paid-up Equity share capital of the Company increased by Rs. 2.71 lacs divided into 135,600 Equity shares of face value Rs. 2 each.
- 4 During the quarter, the Board of Company decided to buy back upto 600 lacs fully paid up equity shares of Rs. 2 each of the Company, at prevailing market price on relevant stock exchanges subject to a price not exceeding Rs. 90 per equity share ('Maximum buy back offer price'), aggregating up to an amount not exceeding Rs. 54,000 lacs, being less than 10% of the total paid up share capital and free reserves of the Company ('Maximum buy back offer size') as at March 31, 2016, from the open market through the stock exchange mechanism, in accordance with the provisions contained in Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998. Till the end of the quarter, the Company had bought back 80 lacs fully paid up equity shares of Rs. 2 each. Subsequent to quarter end, the Company had bought back further 110 lacs fully paid equity shares of Rs. 2 each.
- 5 During the quarter, the Company has further invested in fully paid up equity shares in one of its wholly owned subsidiary amounting to Rs. 5,984.55 lacs.
- 6 Subsequent to the quarter end, pursuant to the judgment passed by the Hon'ble Supreme Court of India, a refund of approximately Rs. 70,095 lacs, net of TDS, (being the auction price along with interest) has been received from the Delhi Development Authority ('DDA') by Kenneth Builders & Developers Private Limited (a 100% subsidiary of Indiabulls Infrastructure Private Limited ('associate entity')) in relation to the land situated at Village Tehkhand, Maa Anand Mai Marg, New Delhi ('Tehkhand Land') which was earlier allotted by DDA for development of residential project. The Company and FIM Limited (managed by Farallon Capital Management LLC and its affiliates), was holding 26% and 74% equity stake respectively in the associate entity. Further, in compliance with the directions of the Hon'ble Supreme Court of India, possession of the Tehkhand Land has been handed over to DDA. The Company has also acquired entire stake of FIM Limited in associate entity, for a total consideration of approximately Rs. 38,189 lacs and with this associate entity has become 100% subsidiary of the Company.
- 7 The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108 as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013, the Company operates in one reportable business segment i.e. real estate project advisory and construction and development of infrastructure/real estate projects and is primarily operating in India and hence, considered as single geographical segment.
- 8 Reconciliation of net profit after tax as previously reported under Indian GAAP and Ind AS for the quarter and nine month ended December 31, 2015:

	Rs. In Lacs	
	3 months ended December 31, 2015 (Unaudited)	Year to date figures for previous period ended December 31, 2015 (Unaudited)
Net profit as per previous Indian GAAP	803.31	5,504.85
Impact of effective interest rate adjustment on borrowings	(163.40)	(369.34)
Impact of financial assets at fair value through profit and loss	133.95	408.43
Impact of financial assets at amortised cost	579.64	1,738.92
Impact of employee share based payment at fair value	(230.37)	(691.12)
Deferred tax impact	(167.45)	(310.82)
Actuarial gain through other comprehensive income	0.46	1.37
Net profit for the period under Ind AS	956.14	6,282.29

Registered Office : M-62&63, First Floor, Connaught Place, New Delhi 110 001.
Corporate Identity Number (CIN) : L45101DL2006PLC148314

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Place : Gurugram
Date : January 25, 2017

Gurbans Singh
Joint Managing Director