

Indiabulls REAL ESTATE

Indiabulls Real Estate Limited
Statement of Unaudited Consolidated Financial Results
for the quarter and nine months ended 31 December 2019

Rs. In Lakhs

Particulars	3 months ended	Preceding 3	Corresponding 3	Year to date	Year to date	Previous year
	31 December 2019	months ended	months ended	figures for current	figures for	ended
	Unaudited	30 September 2019	31 December 2018	period ended	previous period	31 March 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations (refer note 3)	123,225.91	108,565.02	127,107.34	315,448.72	312,234.10	494,388.89
b) Other income	8,544.55	1,625.21	1,652.60	13,445.68	5,997.65	27,904.32
Total income	131,770.46	110,190.23	128,759.94	328,894.40	318,231.75	522,293.21
2 Total Expenses						
a) Cost of land, plots, constructed properties and others (refer note 3)	95,414.59	38,559.39	78,346.48	175,329.79	197,074.85	353,851.31
b) Employee benefits expense	2,722.93	3,253.96	3,537.14	9,388.12	10,436.02	13,848.42
c) Finance costs	8,707.60	15,368.25	11,429.25	40,002.16	31,965.23	46,431.69
d) Depreciation and amortisation expense	728.28	891.87	371.49	2,403.80	1,453.91	1,744.56
e) Other expenses (refer note 5)	12,555.54	15,291.91	6,448.08	42,683.44	17,056.59	22,438.91
Total expenses	120,128.94	73,300.88	100,132.44	269,807.31	257,986.60	438,314.89
3 Profit before share of (loss)/profit of joint ventures and tax (1-2)	11,641.52	36,889.35	28,627.50	59,087.09	60,245.15	83,978.32
4 Share of (loss)/profit of joint ventures	-	(295.78)	(250.27)	(158.14)	940.32	399.11
5 Profit before exceptional items and tax (3+4)	11,641.52	36,593.57	28,377.23	58,928.95	61,185.47	84,377.43
6 Exceptional Items - Interest on income tax	-	-	-	6,750.73	-	-
7 Profit before tax (5-6)	11,641.52	36,593.57	28,377.23	52,178.22	61,185.47	84,377.43
8 Tax expense						
a) Current tax expense/(reversal) - including earlier years	(348.17)	(45.83)	203.85	7,634.08	2,420.58	409.03
b) Deferred tax charge	7,062.50	6,462.96	7,932.76	21,462.92	19,194.12	33,536.88
9 Net profit after tax for the period/year (7-8)	4,927.19	30,111.94	20,240.62	23,081.22	39,570.77	50,431.52
10 Other comprehensive income						
(i) Items that will not be reclassified to profit or loss	965.41	(456.52)	467.08	(1,914.23)	(4,249.85)	(6,172.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.67	(9.78)	8.24	(0.96)	23.71	33.14
(iii) Items that will not be reclassified to profit or loss - share of other comprehensive income of joint ventures accounted for using the equity method (net of tax)	-	(46,122.81)	-	(46,122.81)	-	(411.20)
(iv) Items that will be reclassified to profit or loss	11,534.46	(1,290.87)	(13,199.02)	2,059.94	(1,671.44)	3,795.90
(v) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Other comprehensive income	12,502.54	(47,879.98)	(12,723.70)	(45,978.06)	(5,897.58)	(2,754.22)
11 Total comprehensive income for the period/year (9+10)	17,429.73	(17,768.04)	7,516.92	(22,896.84)	33,673.19	47,677.30
Net profit attributable to :						
Owners of the Holding Company	4,920.45	30,106.99	20,245.60	23,048.19	39,583.85	50,414.57
Non-controlling interests	6.74	4.95	(4.98)	33.03	(13.08)	(16.95)
Other comprehensive income attributable to :						
Owners of the Holding Company	12,502.54	(47,879.98)	(12,723.70)	(45,978.06)	(5,897.58)	(2,754.22)
Non-controlling interests	-	-	-	-	-	-
12 Earnings per equity share (Face value of Rs. 2 per equity share)						
(a) Basic (in Rs.)	1.08	6.65	4.49	5.09	8.63	11.04
(b) Diluted (in Rs.)	1.08	6.65	4.47	5.09	8.61	11.04
13 Paid-up equity share capital (face value of Rs. 2 per equity share)	9,093.28	9,093.28	9,013.61	9,093.28	9,013.61	9,013.61
14 Other equity (including non-controlling interest)						391,889.10

Notes to the consolidated financial results :

- Indiabulls Real Estate Limited ('the Company' or '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 joint ventures. The consolidated financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified in Section 133 of the Companies Act, 2013.
- The consolidated financial results of the Group for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee and approved by the Board of Directors ('the Board') at its meeting held on 10 February 2020. These results have been subjected to a limited review by the Statutory Auditors of the Holding Company.
- The Group has entered into following transaction during the quarter:
 - During the quarter, the Group has sold the entire stake in Century Limited (which indirectly owns Hanover Square property, London) and another subsidiary namely IPMT Limited UK, to Clivedale Overseas Limited, an entity owned by the Promoters, for an aggregate consideration of Rs. 183,693.00 Lakhs (GBP 200 Million), based on an independent valuation and accordingly, the Group has recognized gain on sale amounting to Rs. 962.63 lakhs in these consolidated financial results.
 - During the quarter, the Holding Company has got a fixed consideration amounting to Rs. 13,707.00 lakhs as full and final settlement against one of its project. Accordingly, the Holding Company has recognized revenue of Rs. 13,707.00 lakhs and written off the carrying cost of the inventory of Rs. 7,042.57 lakhs as cost of sales and also additional costs pertaining to this project were being charged to statement of profit and loss in the respective years of incurrence.
 - During the quarter, the Holding Company has executed definitive transaction agreement with entity controlled by the Blackstone Group Inc. ('Purchaser') to divest its 100% stake in one of its subsidiary namely Mariana Infrastructure Limited ('Mariana'), which holds commercial asset at Gurgaon at a consideration of Rs. 13,564.93 lakhs. As part of the said transaction, the Holding Company has divested partial stake of Holding Company in Mariana which has resulted in loss of control in Mariana and accordingly Mariana have been de-consolidated. Further, the remaining investment has also been classified as held for sale.
 - During the quarter, one of the subsidiary of the Group has entered into definitive transaction agreement and has sold one of the commercial asset/development at Mumbai to one of the entity controlled by the Blackstone Group Inc. ('Purchaser') for a consideration of Rs. 67,500.00 lakhs. Accordingly, the Group has recognized net gain of Rs. 16,212.49 lakhs by recognizing revenue and charging off inventory in respect of said commercial asset/development as cost of sales.
- Other expenses include an impairment of Rs. 7,988.48 lakhs on account of recoverability of certain financial assets.
- Subsequent to quarter end, the Board of Directors ('the Board') of the Holding Company at its meeting held on 31 January 2020, have discussed and approved in-principally the proposal of the merger of certain ongoing, completed and planned residential and commercial projects of Embassy Property Developments Private Limited ('Embassy') with the Holding Company. The Board has constituted a Reorganization Committee to examine and evaluate the options to implement the aforementioned merger proposal, including appointment of valuers, merchant bankers, and other intermediaries to prepare and present a draft scheme and related documents, including the valuation reports, fairness opinion, share swap ratio etc., to be placed before the Board for its consideration and final approval.

6 The Holding Company and certain subsidiaries of the Group have elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The impact of this change has already been considered in the consolidated financial results of previous quarter.

7 During the quarter, Infomeric Valuation and Ratings has assigned the long-term rating of "IVR AA- with Stable Outlook" to long-term fund based borrowings and "IVR A1+" to short-term fund based borrowings of the Holding Company.

8 Operating segments : Rs. In Lakhs

Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for previous period ended 31 December 2018	Previous year ended 31 March 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
a Segment revenue						
Real estate development and related activities	123,225.91	108,565.02	127,107.34	315,448.72	312,234.10	492,401.95
Rental business	-	-	-	-	-	1,986.94
Total	123,225.91	108,565.02	127,107.34	315,448.72	312,234.10	494,388.89
Less: Inter segment revenue	-	-	-	-	-	-
Income from operations	123,225.91	108,565.02	127,107.34	315,448.72	312,234.10	494,388.89
b Segment results:						
Real estate development and related activities	5,819.90	38,518.10	30,512.05	55,029.53	64,683.52	70,412.39
Rental business	-	-	-	-	-	(489.97)
Total	5,819.90	38,518.10	30,512.05	55,029.53	64,683.52	69,922.42
Less: Other un-allocable expenditure net off unallocable income	5,821.62	(1,628.75)	(1,884.55)	4,057.56	(4,438.37)	14,055.90
Profit before share of (loss)/profit of joint ventures and tax	11,641.52	36,889.35	28,627.50	59,087.09	60,245.15	83,978.32
Share of (loss)/profit of joint ventures	-	(295.78)	(250.27)	(158.14)	940.32	399.11
Profit before exceptional items and tax	11,641.52	36,593.57	28,377.23	58,928.95	61,185.47	84,377.43
Exceptional Items - Interest on income tax	-	-	-	6,750.73	-	-
Profit before tax	11,641.52	36,593.57	28,377.23	52,178.22	61,185.47	84,377.43
Tax expense	6,714.33	6,481.63	8,136.61	29,097.00	21,614.70	33,945.91
Net profit after tax for the period/year	4,927.19	30,111.94	20,240.62	23,081.22	39,570.77	50,431.52
c Segment assets						
Real estate development and related activities	1,101,118.13	1,243,586.96	1,549,596.51	1,101,118.13	1,549,596.51	1,439,814.49
Rental business	6,134.07	20,676.22	12,952.11	6,134.07	12,952.11	13,657.77
Unallocated assets	134,546.83	170,571.43	250,280.77	134,546.83	250,280.77	165,709.14
Total	1,241,799.03	1,434,834.61	1,812,829.39	1,241,799.03	1,812,829.39	1,619,181.40
d Segment liabilities						
Real estate development and related activities	837,641.10	1,042,000.22	1,343,966.85	837,641.10	1,343,966.85	1,202,249.84
Rental business	10,719.71	19,344.99	9,512.67	10,719.71	9,512.67	9,523.50
Unallocated liabilities	20,254.30	17,797.23	10,097.80	20,254.30	10,097.80	6,505.35
Total	868,615.11	1,079,142.44	1,363,577.32	868,615.11	1,363,577.32	1,218,278.69

9 Previous period/year numbers have been regrouped/reclassified wherever considered necessary.

Indiabulls Real Estate Limited (as standalone entity)
Statement of Unaudited Financial Results
for the quarter and nine months ended 31 December 2019

Rs. In Lakhs

Particulars	3 months ended 31 December 2019	Preceding 3 months ended 30 September 2019	Corresponding 3 months ended 31 December 2018	Year to date figures for current period ended 31 December 2019	Year to date figures for previous period ended 31 December 2018	Previous year ended 31 March 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations (refer note 6)	13,707.00	(605.76)	471.93	14,877.83	11,161.55	11,707.20
b) Other income	7,661.67	5,235.65	5,021.70	19,969.30	15,823.62	43,764.64
Total income	21,368.67	4,629.89	5,493.63	34,847.13	26,985.17	55,471.84
2 Expenses						
a) Cost of sales/services (refer note 6)	7,042.57	-	-	7,042.57	-	-
b) Employee benefits expense	35.77	54.06	96.53	165.89	529.36	633.51
c) Finance costs	6,764.88	7,353.65	8,288.82	23,605.80	23,317.98	33,042.13
d) Depreciation and amortisation expense	229.76	243.92	19.85	746.23	65.06	83.78
e) Other expenses (refer note 8)	10,300.19	4,374.76	721.59	19,492.13	4,903.75	6,709.79
Total expenses	24,373.17	11,961.89	9,126.79	51,052.62	28,816.15	40,469.21
3 (Loss)/profit before tax (1-2)	(3,004.50)	(7,332.00)	(3,633.16)	(16,205.49)	(1,830.98)	15,002.63
4 Tax expense						
a) Current tax expense/(reversal) - earlier years	(0.41)	-	-	(44.02)	-	-
b) Deferred tax charge	26.04	2,651.30	44.55	2,525.27	260.54	4,401.44
5 Net (loss)/profit after tax for the period/year (3-4)	(3,030.13)	(10,047.80)	(3,677.71)	(18,686.74)	(2,091.52)	10,601.19
6 Other comprehensive income						
(i) Items that will not be reclassified to profit or loss	876.20	(438.48)	438.65	(1,752.78)	(3,722.19)	(5,366.20)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.04)	-	(0.20)	0.09	(0.58)	(0.18)
Other comprehensive income	876.16	(438.48)	438.45	(1,752.69)	(3,722.77)	(5,366.38)
7 Total comprehensive income for the period/year (5+6)	(2,153.97)	(10,486.28)	(3,239.26)	(20,439.43)	(5,814.29)	5,234.81
8 Earnings per equity share (Face value of Rs. 2 per equity share)						
(a) Basic (in Rs.)	(0.67)	(2.22)	(0.82)	(4.11)	(0.46)	2.32
(b) Diluted (in Rs.)	(0.67)	(2.22)	(0.82)	(4.11)	(0.46)	2.32
9 Paid-up equity share capital (face value of Rs. 2 per equity share)	9,093.28	9,093.28	9,013.61	9,093.28	9,013.61	9,013.61
10 Other equity						645,162.54

Notes to standalone financial results:

- The standalone financial results of Indiabulls Real Estate Limited ('IBREL' or 'the Company') for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee and approved by the Board of Directors ('the Board') at its meeting held on 10 February 2020. These standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company.
- The standalone financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified in Section 133 of the Companies Act, 2013.
- During the quarter, the Company has sold the entire remaining stake in Century Limited, to a group company for an aggregate consideration of Rs. 16,624.97 lakhs and accordingly, the Company has recognized profit on sale amounting to Rs. 427.11 lakhs in these standalone financials results.
- During the quarter, one of the wholly owned subsidiary namely Dev Property Development Limited ('DPD') has bought back additional 941,930 shares from the Company for an aggregate consideration of Rs. 1,511.73 lakhs and accordingly, the Company has recognized loss on buyback amounting to Rs. 24.79 lakhs in these standalone financials results.
- During the quarter, the Company has executed definitive transaction agreement with entity controlled by the Blackstone Group Inc. ('Purchaser') to divest its 100% stake in one of its subsidiary namely Mariana Infrastructure Limited ('Mariana'), which holds commercial asset at Gurgaon at a consideration of Rs. 13,564.93 lakhs. As part of the said transaction, the Company has divested partial stake of Company in Mariana which has resulted in loss of control in Mariana and accordingly Mariana have been de-consolidated. Further, the remaining investment has also been classified as held for sale.
- During the quarter, the Company has got a fixed consideration amounting to Rs. 13,707.00 lakhs as full and final settlement against one of its project. Accordingly, the Company has recognized revenue of Rs. 13,707.00 lakhs and written off the carrying cost of the inventory of Rs. 7,042.57 lakhs as cost of sales and also additional costs pertaining to this project were being charged to statement of profit and loss in the respective years of incurrence.
- Subsequent to quarter end, the Board of Directors ('the Board') of the Company at its meeting held on 31 January 2020, have discussed and approved in-principle the proposal of the merger of certain ongoing, completed and planned residential and commercial projects of Embassy Property Developments Private Limited ('Embassy') with the Company. The Board has constituted a Reorganization Committee to examine and evaluate the options to implement the aforementioned merger proposal, including appointment of valuers, merchant bankers, and other intermediaries to prepare and present a draft scheme and related documents, including the valuation reports, fairness opinion, share swap ratio etc., to be placed before the Board for its consideration and final approval.
- Other expenses include an impairment of Rs. 7,988.48 lakhs on account of recoverability of certain financial assets.
- The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The impact of this change has already been considered in the standalone financial results of previous quarter.
- During the quarter, Infomercs Valuation and Ratings has assigned the long-term rating of "IVR AA- with Stable Outlook" to long-term fund based borrowings and "IVR A1+" to short-term fund based borrowings of the Company.
- 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.
- Previous period/year numbers have been regrouped/reclassified wherever considered necessary.

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 : 10 February 2020

Vishal Damani
Joint Managing Director